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BROOKLYN DAILY EAGLE

# **Third Year Book** of the **League of Nations,**

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**For the Year 1922**

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## PREFACE

This book contains the story of the deeds of the League of Nations during the third year of its life, 1922. Since that story loses much of its meaning when separated from the history of the great international forces operating in the immediate environment of the League, this volume, like its predecessors, necessarily assumes somewhat of the character of an international chronicle. Therefore the spotlight is here turned not only upon the machinery of the League, including its Labor Organization, but also upon the doings of a remarkable series of international conferences as well as upon the efforts and gestures of the Reparations Commission.

Although these latter episodes are not technically within the activities of the League, they are all closely related to its welfare, and they are shaping issues which are doubtless destined to fall finally within the competence of the League. At any rate, they will profoundly affect the current problems of the League and its future development. Therefore they are included here, in order that this record of the League may not omit auxiliary and contributory influences.

As in former volumes, statements about the actual work of the League are derived from a study of official publications.

An excellent study of the Reparations problem may be found in three pamphlets issued in 1922 by the World Peace Foundation, 40 Mt. Vernon Street, Boston, under the title, "Reparation, Part I, Damage and Payments; Part II, Politics and Economics of Payments; Part III, Financial Aspects."

Important essays, speeches and official documents relating to reparations and the Allied debts are reprinted by the American Association for International Conciliation, 407 W. 117th Street, New York City, in Pamphlets Nos. 181, 182 and 184 (Dec., 1922--March, 1923).

Pamphlet No. 1 of the newly-formed League of Nations Non-Partisan Association, 15 W. 37th Street, New York City, contains the text of the Covenant of the League and also the text of Amendments approved by the Second Assembly. A catalogue of the publications of the League of Nations, of the International Labor Office and of the Permanent Court of Inter-



national Justice can be obtained from the World Peace Foundation, the American agent for these publications.

No other organization has published so many useful books and pamphlets about the League as has the British League of Nations Union, 15, Grosvenor Crescent, London, S. W. 1, England.

Every one who wants to follow closely the work of the League should do so by subscribing to the "Monthly Summary," published by the League of Nations, Geneva, Switzerland. This Bulletin costs only one dollar a year in the United States, and can be obtained directly from Geneva or through the office of the World Peace Foundation. In December, 1922, the International Bureaus Section of the League Secretariat began the publication of a Quarterly Bulletin of Information, which will contain reports of the meetings of thirty-six international organizations, public and private.

The Labor Organization of the League publishes weekly an Official Bulletin (\$5.00 a year); also another bulletin called Industrial and Labor Information, with a Russian Supplement, for \$5.00 a year, and a magazine, International Labor Review, for \$5.00. Labor Information and the Review can be obtained together for \$8.00.

A complete account of the Washington Conference, which ended on February 6, 1922, is contained in the Second Year Book, and that story will not be repeated here.

**CHARLES H. LEVERMORE.**

70 Fifth Avenue,  
New York City,  
March 1, 1923.

# THIRD YEAR BOOK

## OF THE

# LEAGUE OF NATIONS

### CHAPTER I.

#### CANNES MEETING OF THE SUPREME COUNCIL—FALL OF PREMIER BRIAND—SIXTEENTH SESSION OF THE COUNCIL OF THE LEAGUE.

##### *Supreme Council.*

January 5—The Supreme Council began its sessions at Cannes with private deliberations.

In addition to the British, French, Italian and Belgian Governments, represented by their Premiers and Foreign Ministers, there were present all the financial experts of these countries, the members of the Reparations Commission, Ambassador George Harvey, as the representative of the United States, an observer only; M. Gounaris, the Greek Foreign Minister, and minor officials from almost all the countries of Central Europe.

The chief topics of discussion were a proposed alliance between France and Great Britain, reparations and the whole subject of economic reconstruction in Europe. In connection with the latter subject the position of Russia was to be considered, and a proposition formulated at a conference of British and French financiers at Paris, December 29, for an international corporation to finance the restoration of Europe.

##### *The Genoa Conference.*

January 6. The first formal decision of the Supreme Council was to call an economic conference of all European states, except Turkey, to meet in Italy, the invitations to be issued by the Italian Government, and the United States to be invited to participate. The hope that the latter country might be willing to attend probably prevented the assignment of the duty of calling the conference to the League of Nations.

The resolution for a conference at Genoa was as follows:

The Allied Powers, met in conference, are unanimously of the opinion that a conference of an economic and financial nature should be called during the first weeks of March at which all the European Powers, Germany, Austria, Hungary, Bulgaria and Russia included, should be invited to send representatives. They consider that such a conference constitutes an urgent and essential step toward the economic reconstruction of Central and Eastern Europe. They are of the firm opinion that the Prime Ministers of each nation ought, if possible, to take part themselves at this conference so that the recommendations can be acted on as quickly as possible.

The Allied Powers consider that the restoration of the international commerce of Europe, as well as the development of the resources of all countries, is necessary to increase the amount of productive labor and lessen the suffering endured by the European peoples.

A common effort by the most powerful States is necessary to restore to the European system its vitality which is now paralyzed.

This effort ought to be applied to the suppression of all obstacles in the way of commerce. It ought to be applied also to granting large credits to the most feeble countries and to the cooperation of all for the restoration of normal production.

The Allied Powers consider that the fundamental and indispensable conditions for the realization of an efficacious effort are capable of being defined in general terms as follows:

(1) The nations cannot claim the right to dictate to each other the principles according to which they must organize within their frontiers, their regime of property, their economy and their government. It is the right of each country to choose for itself the system which it prefers.

(2) Nevertheless it is not possible to place foreign capital in order to help a country unless the foreigners who provide the capital have a certitude that their property and their rights will be respected and that the fruits of their enterprise will be assured.

(3) This feeling of security cannot be re-established unless nations or their governments desiring to obtain foreign credits freely engage: (a) To recognize all public debts and obligations which have been contracted, or will be contracted or guaranteed by States, municipalities, or other public or-

ganizations, and to recognize also obligation to restore or, in case of default, to indemnify all foreign interests for loss or damage which has been caused by the confiscation or sequestration of property; (b) to establish legal and juristic punishment and assure the impartial execution of all commercial or other contracts.

(4) The nations ought to have available convenient means of exchange; in general, financial and monetary conditions ought to exist which offer sufficient guarantees.

(5) All nations ought to engage to abstain from all propaganda which is subversive of the political system established in other countries.

(6) All nations ought to take a common engagement to abstain from all aggression on their neighbors.

If with a view to assuring the necessary conditions for the development of the commerce of Russia the Russian Government claims official recognition, the Allied Governments cannot accord this recognition unless the Russian Government accepts the preceding conditions.

Mr. Lloyd George and Sig. Bonomi were strongly in favor of the inclusion of Russia.

January 7. The Supreme Council asked the German Government to have a delegation at Paris ready to come to Cannes, if invited, to discuss reparations. The day was devoted to examination of claims of Belgium and France upon the German payments, and to conversations between Lloyd George and Briand upon a treaty guarantee between France and Great Britain.

The Council was surprised on January 9 to receive by wireless from Moscow an acceptance from Soviet Russia (signed by George Chicherin) of the invitation to attend the Genoa Conference, although the invitation had not yet been sent.

### ***International Corporation.***

January 10. The Council approved the plan for an international finance corporation, and undertook to find £10,000 for expenses of organization, by a committee on which Great Britain, France, Italy, Belgium and Japan would be represented. It is to meet in London January 25.

Each country represented will form a national corporation and send delegates to the international corporation, which

would command a combined capital of £20,000,000. The United States will be invited. Germany will be invited to form a national corporation on condition that half of its profits will be paid to the Reparations Commission.

#### ***Reparations.***

January 6. The Reparations Commission informed the German Government that its requests for delay in payments due on January 15 and February 15 would not be considered unless Germany answered the questions of the Committee concerning the length of postponement, the possible payments, and the guarantees given.

January 11.—The Reparations Commission met the German delegates. Dr. Rathenau, for Germany, said that Germany could pay in 1922 no more than 500,000,000 gold marks and 1,000,000,000 gold marks in kind. The demand of the Reparations Commission is for 720,000,000 gold marks in cash and 1,750,000,000 gold marks in kind.

According to the plan of the Commission France will get 1,125,000,000 marks of the payments in kind each year, the remainder going as follows: Two hundred and forty million to Italy, 100,000,000 to Great Britain, 125,000,000 to Belgium, 7,000,000 to Japan and the rest to other beneficiaries under the treaty.

Of the 720,000,000 gold marks payable in cash in 1922, Great Britain will get 159,000,000, of which she will loan 139,000,000 to France, the loan being repayable from later cash payments by Germany to France. The rest will apply on Belgium's priority.

This division applies only to the present year, the idea being that the payments in cash be in part applied to payment of interest on Series A of the German bonds to the value of 1,000,000,000 gold marks now in the hands of the Reparations Commission to secure payment of 519,000,000 marks to Belgium, 450,000,000 to Great Britain and 31,000,000 to Italy.

Dr. Rathenau addressed the Council on the 12th, but that body took no action, preferring to leave the matter to the Reparations Commission.

January 13.—M. Dubois of France, President of the Commission, informed the German delegates of the Commission's decision, as follows:

The Reparations Commission would grant the German Government a provisional delay for payment of the sums due

January 15 and February 15, so far as these payments were not covered by payments in cash or in kind, on certain conditions.

These conditions are:

First—During the period of provisional delay Germany must pay in approved foreign securities 31,000,000 gold marks every ten days, the first payment to be January 16.

Second—Germany within a fortnight must submit to the Commission a plan for reforms or appropriate guarantees for its budget and paper currency, and also a program for reparation payments in cash and in kind for 1922.

Third—The period of provisional delay shall end when the Commission or the Allied Governments have reached a decision in regard to the plan and program mentioned in the second condition, the balance due becoming payable a fortnight after the Commission or the Allies have reached a decision.

The 31,000,000 gold marks which Germany is called on to pay every ten days during the period of provisional delay is about equal to 25 percent on German exports.

### ***Proposed Franco-British Alliance and Fall of Premier Briand.***

On January 10 and 11 a defensive compact between France and Great Britain, which the two Premiers had been formulating, was completed, and approved by the British Ministry. Briand failed to obtain the support of President Millerand, and on the 12th the Premier resigned. He was succeeded by former President Raymond Poincare, leader of the Nationalist majority in the French Chamber. The Supreme Council adjourned after receipt of this news, but not without authorizing the issuance of formal invitations to about thirty nations to attend the Genoa Conference. The most important nations were asked to send not less than three delegates and not more than five; the other nations, two delegates each.

March 8 was provisionally fixed as the date for assembling the conference, but the date finally agreed upon was April 10.

The sudden resignation of Premier Briand left the proposed Franco-British compact hanging in mid-air. This compact was to provide the security for lack of which France had, at Washington and elsewhere, professed itself unable to

curtail its armaments, but MM. Millerand and Poincaré feared that Briand in return had made too great concessions concerning reparations and that French rights had not been sufficiently guaranteed in the proposed Genoa Conference, as against Germany and Russia.

The text of the agreement which Briand and Lloyd George had drawn was as follows:

Considering that the territory of France has been twice invaded by Germany within the memory of living men and that the country still profoundly suffers from the devastation inflicted by the enemy;

Considering that the peoples of both France and the British Empire paid a heavy tribute in human lives and riches to repulse the invasion of the German armies;

Considering that the prosperity of European peoples and the economic organizations of the world have been profoundly troubled by the trial of prolonged war through which they have just passed;

Considering that the guarantees for the security of France against future invasions by Germany are indispensable for the restoration of the stability of Europe, the security of Great Britain and the peace of the world;

Considering that the following measures for security contained in the Versailles Treaty—

**Article 42.** Germany is forbidden to maintain or construct any fortifications either on the left bank of the Rhine or on the right bank to the west of a line drawn fifty kilometres to the east of the Rhine.

**Article 43.** In the area defined above the maintenance and the assembly of armed forces, either permanently or temporarily, and military manoeuvres of any kind, as well as the upkeep of all permanent works for mobilization, are in the same way forbidden.

**Article 44.** In case Germany violates in any manner whatever the provisions of Articles 42 and 43, she shall be regarded as committing a hostile act against the Powers signatory of the present treaty and as calculated to disturb the peace of the world.

—may not provide sufficiently for the defense of the common interest essentially to both high contracting parties, as well as to the maintenance of peace in Eastern Europe.

### THIRD YEAR BOOK OF THE LEAGUE OF NATIONS

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His Britannic Majesty and the President of the French Republic have agreed upon the following dispositions:

**Article 1.** In case of direct and unprovoked aggression against the territory of France by Germany, Great Britain will place herself immediately at the side of France with her naval, military and aerial forces.

**Article II.** The high contracting parties again affirm the common interest which Articles 42, 43 and 44 of the Treaty of Versailles have for them, and they will act in concert if there arises any menace of violation to any one of said articles, or if any doubt arises as to their interpretation.

**Article III.** The high contracting parties also undertake to act in concert in case of Germany taking any military, naval or aerial measures whatever incompatible with the Treaty of Versailles.

**Article IV.** The present treaty imposes no obligation whatsoever on any dominions of the British Empire, unless or until approved by the dominion which is interested.

**Article V.** The present treaty will remain in vigor for a period of ten years, and will, by common accord, be renewable at the end of that period.

The following Agenda prepared at Cannes for the Genoa Conference was not officially announced until January 19, in Paris:

The questions to be discussed will be:

(1) Examination into means for putting into execution the principles contained in the Cannes resolution of January 6, 1922.

(2) Establishment of European peace upon a solid basis.

(3) Conditions necessary to the restoration of economic confidence without endangering or altering existing treaties.

(4) Financial questions, such as currency, paper money, banks and banking systems.

(5) Economic and financial questions.

The third item, which has been the cause of misunderstanding and disagreement between Premier Lloyd George of Great Britain and Premier Poincare of France, reads in the English translation of the text, "without injury to existing treaties."



***Sixteenth Session of the Council of the League of Nations, January 10-14, 1922, at Geneva.***

1. *UPPER SILESIA*—Tuesday, January 10, the Secretary-General gave a report of progress concerning the work of the Upper Silesian Mixed Commission and its eleven sub-commissions, and the German-Polish Conference to negotiate a convention.

M. Hymans presided and the business before the Council brought to it delegates from ten States and territories not members of the Council.

2. *AMENDMENTS COMMITTEE*—In view of the fact that, by the Second Assembly, consideration of proposed amendments to Articles VI, X and XVIII, was referred to the Third Assembly, the Council postponed the meeting of the Amendments Committee, thinking that other proposals of amendment may be sent in later.

If the Committee meets, its expenses will be met from the reserve under "Unforeseen Expenditure." Members of the Committee receive 70 gold francs a day and their traveling expenses.

3. *PERMANENT COURT*—The Secretary-General announced that the Permanent Court of International Justice would meet at The Hague on January 30. Forty-five States have signed the fundamental statute of the Court, and eighteen have signed the optional clause for compulsory jurisdiction, usually on condition of reciprocity. Brazil's condition is that unless the clause is signed within two years by at least two of the Great Powers, Brazil's signature becomes invalid. None of the Great Powers has thus far signed the optional clause.

4. *BLOCKADE*—The Council agreed to observe provisionally the rules concerning the Economic Weapon of the League, comprised in 19 resolutions and in proposals for the Amendment of Article XVI, all approved by the Second Assembly and submitted to members of the League by letter on December 17, 1921.

Some of the proposed rules relate to action by the Council and some to action by the members; therefore the Council asked that comments by members be sent to the Council before May 1, 1922.

The Council invited special attention to Resolution 19, which asks the Council to impress upon the various governments

the necessity of preparatory measures, especially of a legislative character, which will permit the application of economic pressure at short notice.

5. *MANDATES COMMISSION*—The Council approved the rules of procedure submitted by the Mandates Commission, and, in consonance with action in the Second Assembly, fixed the compensation of members of that Commission at what is to be a uniform rate for such service, viz.: 70 gold francs a day and the traveling expenses.

6. *AUDIT*—The Council requested the Netherlands Government to provide for the audit of the League accounts for the third fiscal period (1921).

7. *PROTECTION OF MINORITIES*—January 11-14. The Council voted to invite the representatives of Estonia, Latvia, and Lithuania to prepare, in conjunction with the Secretariat, draft declarations on the protection of minorities in their respective countries. These declarations could be placed under the guarantee of the League like the provisions of the Minorities Treaties. On January 14, after various conferences between the Secretariat (Minorities Section) and the delegates of the three Baltic States, the Council voted to postpone the subject to the next session. It delegated M. da Cunha to conduct negotiations for the Council with these three States about these matters, and it asked the three governments to submit as soon as possible all legislative documents and detailed information concerning the situation of minorities in these States.

In accordance with the Council vote of October 25, 1920, that petitions concerning protection of minorities shall be referred to the President of the Council and two members named by him, on January 14, 1922. M. Hymans, Marquis Imperiali and Viscount Ishii considered complaints from German residents in Poland who had been threatened with summary eviction by the Polish Government in the Fall of 1921. At the request of the Council of Ambassadors, the Polish Government in November deferred the eviction of several thousand German farmers at Bromberg until after May 1, 1922, and on January 17, 1922, that government notified the League that the execution of its decree had been suspended.

The same Committee of the Council noted on February 8, 1922, that Czecho-Slovakia had not yet granted autonomy to its Ruthenian territory east of Slovakia, as it must do under the Treaty of St. Germain. Czecho-Slovakia answered that auton-

omy could be established there only by degrees, the Ruthenians being entirely uneducated. The Committee accepted this answer.

8. *NEUTRALIZATION AND NON-FORTIFICATION OF THE AALAND ISLANDS*—The Council voted to accept the obligations imposed upon it in the Aaland Islands Convention, signed at Geneva, October 20, 1921. The Convention becomes valid when ratified by six of the signatory powers, Sweden and Finland being included among the six. Sweden, France and Denmark ratified it before the end of the year 1921. The Secretary-General was instructed to notify all League members of this Convention, as soon as it comes into force.

This Convention is the first agreement in which territorial neutrality is guaranteed by States as members of the League of Nations.

In reporting upon this Convention, Mr. Cecil Harmsworth (Great Britain) observed.

"The contracting parties undertook: (1) to invite the Council of the League of Nations to decide the measures to be taken, where necessary, in order to enforce the execution of the Convention, and (2) to join in measures necessary to give effect to the Council's decision, Finland being empowered to act in the meantime if the neutrality of the zone is threatened. \* \* \*

"The aim which was kept in view in framing this new form of guarantee was to relieve the parties to the Convention of the responsibility of having to bear the individual burden of the guarantee, whilst virtually debarring a single State from taking isolated military action.

"I think it is generally held that the correct interpretation of the Covenant is that the Council has no power to oblige members of the League to take naval or military action, but can only issue recommendations which it is for each separate Power to adopt or not as it thinks fit. Proceeding from this basis, the signatories of the Convention undertake therein to execute such recommendations as the Council may make unanimously, in the event of a violation of the neutrality of the Islands. The signatories would, in such circumstances, be represented on the Council, as the matter would be one 'specially affecting their interests' (see penultimate paragraph of Article 4 of the Covenant). Each signatory Power would be entitled to vote on the question, and its concurrence would be necessary for the unanimity, without which the undertaking to execute the recommendations of the Council could not come into force.

"The guarantee further stipulates that, in the event of

unanimity not being obtained, any one of the contracting States will be authorized to take such measures as shall have been recommended by a majority of two-thirds in the Council."

9. *SAAR VALLEY INHABITANTS*—The Council dismissed a protest by the German Government against a decree issued by the Saar Valley Governing Commission on June 15, 1921, which defined a Saar inhabitant and included any one who had been domiciled there for at least three years.

The German Government, fearful of a purpose to make the Saar Valley population French before 1935, contended that under the Treaty the Saar is a portion of the German State temporarily under the government of the League, that the German law differentiating between Germans and non-Germans must remain in force in the Valley, and that foreigners can exercise no civil rights there.

The Council re-elected for another year the four members of the Saar Valley Governing Commission whose terms had expired, and continued M. Rault in the office of chairman. The Council also gave the Commission a vote of thanks.

10. *INTERNATIONAL BUREAU FOR KNOWLEDGE OF AFRICAN LIQUOR TRAFFIC*—The Council voted to ask the Belgian Government to take charge of duties relating to the collection and preservation of information about the African liquor traffic under the Convention of September 10, 1919, using therefor the International Bureau already established at Brussels for that purpose. The office will be required to conform to the regulations of the Council for international bureaus under its control. The establishment of a League Bureau outside of Geneva is not to be regarded as a precedent. In this case the Belgian Government would collect the expenses of the office from each of the Powers concerned "in the proportions to be fixed by those Powers." Of the six European Powers with African colonies, three, viz.: Belgium, France and Great Britain, have ratified the Convention. These three are the only Powers that possess mandated areas in Africa.

11. *CONCILIATION AMENDMENT SUGGESTED BY NORWAY AND SWEDEN*—According to a request formulated by the Second Assembly in the discussion of proposed amendments, the Council voted to appoint a small special committee to investigate procedure for conciliation as outlined by the Norwegian and Swedish Governments, and to consider the preparation of a body of rules.

The sum of 10,000 gold francs was suggested as the maximum of expenditure for such a committee. Later, M. Adatci, Japanese Ambassador at Brussels, was made chairman of the committee. The others invited to serve on the committee were MM. Alvarez, Hold von Fernech, Loeffgren and de Visscher.

12. *HUNGARIAN PROTEST*—The Hungarian Government, December 19, 1921, disputed the previous statement of the Secretary-General that the League could not intervene at the time of Karl's second raid upon Hungary because no appeal had been made to the League (Cf. Article XVII of the Covenant). The Hungarian Government referred to a telegram which the Council had sent to the governments of Costa Rica and Panama, when those States were quarreling over a boundary.

The Council approved an answer by the Secretary-General to the Hungarian Government, reaffirming its decision of November 19, 1921. The Secretary-General has no right of initiative in convening the Council. A request for a meeting of the Council, under either Article XI or Article XVII, must come from a League member.

13. *LITHUANIA VS. POLAND*—Thursday, January 12. The Secretary-General reported that although, on December 1, 1921, it was announced from Poland that Gen. Zeligovski had left Vilna, nevertheless his troops had not been withdrawn and the government which he established was still in control there. This government, in accordance with Gen. Zeligovski's orders, had held a plebiscite in the Vilna area on January 8, 1922. This was contrary to an agreement in which the Polish Government had promised the Council that no elections would take place in Vilna, unless authorized by M. Hymans. Lithuanians had ignored the plebiscite, and the Lithuanian Government had promptly declared that it would regard Zeligovski's election as null and void.

Each Government complained of the treatment of its minorities in the country of the other. Each Government had refused to accept M. Hymans' plan of settlement, the Polish Government because it demanded first that the people of the Vilna area vote upon the proposals; the Lithuanian Government because of objections:

- a. To the Swiss Cantonal system in Lithuania;
- b. To limitations on the use of Lithuanian militia by the Lithuanian Government;

- c. To giving the Polish language equal rights with the Lithuanian throughout the Lithuanian State;
- d. To federation with Poland by a system of delegations which would threaten the independent sovereignty of Lithuania;
- e. To giving to Poland any right to use the port of Memel and the Niemen river for the transport of war material which would make it impossible for Lithuania to maintain rights of neutrality and would directly conflict with pledges in the treaty between Russia and Lithuania.

The Council had decided in the previous September to withdraw its Military Commission of Control (Col. Chardigny) within four months. But the two Governments could not agree where the neutral zone between their opposing forces should be fixed, or how it should be administered.

The Council asked its President, M. Hymans, to prepare a resolution, affirming its withdrawal from the controversy. This resolution was adopted, January 13, as follows:

"The Council of the League of Nations notes, with regret, that the Lithuanian and Polish Governments, the former by a Note dated December 26th, 1921, the latter by the verbal declarations of its representative at the meeting of the Council on September 20, 1921, have refused to accept its final recommendation of September 20, for the settlement of the dispute between the two Governments in regard to the Vilna district. The Council takes note of these refusals which, in accordance with Article 15 of the Covenant, put an end to the procedure of conciliation instituted by its resolution of March 3, 1921.

"The Council accordingly decides to withdraw its Military Commission of Control within one month, and conveys to this Commission its warm appreciation of the intelligent and devoted services which it has rendered.

"Nevertheless, as the Covenant imposes on the Council the duty of acting in all circumstances with a view to averting any war or threat of war, the Council notes with satisfaction the formal engagement, undertaken on behalf of both Governments by their representatives, to abstain from any act of hostility and thus to maintain the peace which has been fortunately preserved during the past year by the intervention of the League of Nations. The Council further invites the two Governments, if they are unable to come to an understanding for the reciprocal establishment of diplomatic and consular relations, to confide their respective interests to friendly

Powers, whose representatives would be intrusted with the duty of supervising the observation of the measures in the interests of peace, which are recommended by the present resolution.

"The Military Commission which was constituted by the Council had established two neutral zones—one in the region of Suwalki on both sides of the so-called Curzon Line, which was fixed by the Supreme Council on December 8, 1919, the other in the Vilna district.

"The Council considers that, after the withdrawal of the Military Commission, it would be advisable, as a *modus vivendi*, to substitute a provisional line of demarcation for these neutral zones, it being of course understood that the territorial rights of the two States would be in no way prejudiced thereby. The Council invites the representatives of the two Governments to accept this solution. Should they do so, it is prepared to suggest the measures necessary for marking out this line on the ground.

"The Council has received from the Lithuanian Government a protest, dated December 15, against the elections organized in the Vilna district by the administration at present established in this territory and under the authority of the military occupation which has been in force there since October 9, 1920. The Council takes note of this protest.

"The Council cannot recognize any solution of a dispute, submitted to the League by one of its members, which may be reached without regard to the recommendation of the Council or without the consent of both the parties concerned.

"As regards the protection of minorities, Poland is bound by the obligations imposed upon her by the Treaty of Versailles of June 28, 1919; Lithuania has undertaken by her declaration of September 14, 1921, to apply the general principles contained in the treaties regarding minorities.

"As regards the Vilna district, as the League of Nations has the duty of seeing that protection is afforded to minorities in Poland and Lithuania, the Council is convinced that both parties will consent to its sending representatives to the spot, should it see fit to do so, to collect the necessary information for a report to the Council on the subject."

The Council asked Poland and Lithuania to reply to this resolution within ten days. Prof. Askenazy, in the name of Poland, thanked the Council for its efforts and hoped that the parties might agree by direct negotiation. M. Narushevitch said that Lithuania would be willing to leave the solution of the

Vilna dispute to either the Permanent Court or a tribunal of arbitration. He asked the Council to request the Supreme Council to settle the disputed eastern frontiers of Poland in accordance with paragraph 3 of Article 87 of the Treaty of Versailles.

He also asked the Council to appoint a High Commissioner of neutral origin to function in the neutral zone when the Commissioner of Control departs. He noted with gratitude "the declaration of the Council of the League of Nations concerning the new endeavor made by the Polish Government to legalize and stabilize the situation created at Vilna by General Zeligowski's high-handed action in organizing elections under a military occupation which involves a veritable reign of terror."

Prof. Askenazy declined to entertain the new proposals of the Lithuanian representative. The Council voted that expenses arising out of the dispute between Poland and Lithuania should be apportioned between the two States according to the ratio of their contributions to the League.

On January 21, 1922, the Lithuanian Government sent to M. Hymans a note, expressing "deepest regret" that the Council had abandoned its effort to settle the Vilna dispute. Diplomatic and consular relations with Poland could be established whenever that country behaved towards Lithuania as it should act towards a sovereign and independent State. Lithuania wanted the Council to supervise the neutral zone through its own High Commissioner, and it would accept any measures recommended by the Council for the protection of racial groups in the Vilna territory. Lithuania rejoiced that the Council would not recognize the Vilna elections, "organized by the Polish Government under military occupation."

On January 23 came a Polish note, thanking the Council for its labors, and asserting that "all danger of armed conflict between Poland and Lithuania is happily set aside." Poland was ready to establish diplomatic and consular relations with Lithuania. If that were not done, Poland would intrust the defense of its interests in Lithuanian lands to some friendly Power.

The Polish Government must "make the most formal reservations concerning the entirely incorrect statements" of the Lithuanian Government about the elections in Vilna.

By correspondence between the Polish and Lithuanian Governments between January 26 and 30, reported to the Council on February 1, it appears that the Lithuanian Courts had sentenced certain Lithuanians, presumably Polish in blood, for



high treason. Thereupon on January 19-20, the Poles arrested leading Lithuanian and Russian citizens of Vilna, accused them of conspiracy, and proposed to Lithuania an exchange of these prisoners.

Lithuania protested to the Council against these Polish "acts of violence" in the ancient capital of Lithuania, "illegally occupied by a *coup de force*" of a Polish general, "an acknowledged rebel."

14. *HUNGARIAN FRONTIERS*—The Hungarian Government asked for rectifications in boundaries marked by the Delimitations Commission. At the suggestion of the Council of Ambassadors and of the Yugo-Slavian Government, the Council postponed the consideration of this question until a later session.

15. *OPIUM TRAFFIC*—The Council authorized the Secretary-General to convene the second session of the Opium Advisory Committee—probably on April 25—and to solicit from all Governments the necessary information concerning the traffic; also to explain to all member States the recommendation of the Committee concerning the use of importation certificates.\*

16. *PENSIONS FOR JUSTICES*—The Secretary-General was asked to inform the Council upon the question of pensions for the judges and officers of the Permanent Court.

17. *FUNDS OF MISSIONS UNDER THE LEAGUE*—The Committee of Control appointed by the Council at the request of the Second Assembly adopted on November 26, 1921, the following resolution:

"The Secretariat cannot be held responsible for funds administered by organizations or missions placed under the auspices of the League, if these funds are not administered by its Financial Director. The Council should specify in each case who shall be responsible for handling the accounts and indicate from time to time its wishes regarding the audit thereof. The Financial Director shall present a memorandum on the subject to the Council at its forthcoming session."

These organizations are at present three in number:

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\* This explanatory note is in the Official Journal for April, 1922. The certificate plan is based on the assumption that each member-State prohibits export of dangerous drugs except by license from the Government. It is obvious that a separate license for each consignment would be necessary.

1. The Epidemic Commission (Typhus) ;
2. The Organization for the Repatriation of Prisoners of War ;
3. And the Russian Refugees Mission.

The Council voted that the Epidemic Commission be responsible for the funds given by States for the campaign against typhus (reports showed that the Commission on November 30, 1921, had an unexpended balance of £25,000) ; also that Dr. Nansen and his staff should administer funds given for repatriation ; and that the Financial Director and Dr. Nansen should be responsible for funds received from private contributors for the Russian Refugees. The Secretary-General said that Dr. Nansen, by his personal prestige, had been able to obtain considerable sums for the refugees, apart from the work of relieving the sufferers from famine. The League had given nothing to the work for refugees.

18. *DANZIG*—January 12-13. The Council re-elected Gen. Sir Richard Haking to be the League's High Commissioner at Danzig for another year.

A controversy between Poland and the Free City concerning the control and administration of the Vistula within and without the Danzig territory was temporarily disposed of by the acceptance of a Polish proposal to refer a compromise agreement to the Danzig Harbor Board for consideration.

The Free City and the High Commissioner had both thought that the Harbor Board should control the Vistula between Danzig and the sea. Poland claimed a part of the river for the Polish Vistula Administration. The compromise proposed that both the Free City and the Harbor Board should have the right to appoint delegates to act on the Vistula Administration, and that the Harbor Board and the Polish Government should negotiate to harmonize the regime of the tidal Vistula with that of the rest of the river.

The Council made no objection to a draft law of Danzig prescribing regulations for the acquisition and loss of nationality in the Free City, observing that the law could not be modified without previous approval by the Council.

The Council reviewed a commercial agreement between Poland-Danzig and Norway, and decided that it was in no wise inconsistent with the Poland-Danzig Treaty of November 9, 1920, or with the status of the Free City. Subsequently the Norwegian Ministry of Foreign Affairs announced its wish to modify the agreement.

The Council authorized the High Commissioner to give final approval to the Constitution of the Free City when the new law concerning the election of Senators, making them more amenable to popular control, should be added as an amendment to the Constitution.

The Council congratulated Poland and Danzig on their agreement, October 24, 1921, to execute and complete the Treaty of November 9, 1920. The agreement has a term of ten years.

The Council voted to postpone consideration of a mooring-station for Polish war vessels in Danzig harbor. Meanwhile the preliminary agreement to give Polish war vessels all necessary facilities in the harbor remained in force.

19. *EASTERN KARELIA*—January 13-14. On behalf of Finland, M. Euckell asked the Council to consider the hostilities in Eastern Karelia (east of Finland) where people of Finnish blood were fighting against Soviet Russia in behalf of their independence or at least of their right to autonomy, which had been promised to them in the Treaty of Dorpat (October 14, 1920), between Finland and Russia. Estonia, Latvia, and Lithuania associated themselves with the request of Finland, and Prof. Askenazy said that Poland had offered its good offices to both Finland and Russia.

The Council suggested that some League member, maintaining diplomatic relations with Russia might inquire of the Soviet Government what its intentions are, and propose mediation. Poland was the government indicated.

Towards the end of the month the Finn Government yielded to the requests or threats of the Soviet Government, and stopped the passage of munitions and supplies across its frontier. The insurrection in Karelia then collapsed, and by February 10 the fighting was ended.

20. *GREEK AND TURKISH ATROCITIES*—January 13. The Council voted to ask Dr. Peet, who had been invited to be its Commissioner at Constantinople, to investigate any report of atrocities in Turkish and Greek territories, and to report to the Council. Dr. Peet had promised to accept the post offered, provided he could count upon adequate authority and support.

21. *ARMAMENTS*—Following a resolution of the Second Assembly, the Council authorized the Secretary-General to renew the letter of March 8, 1921, inviting League members to

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promise "not to exceed during the next two years their appropriations for war purposes in the budget of the present year."

The Second Assembly having approved a statistical inquiry on which to base a report on armaments, the Secretary-General reported that Professor Benini and M. Janssen have undertaken to draw up reports on the financial situation and military expenditure in Italy and Belgium, and to direct the work of the correspondents who are to be appointed in other countries for a similar purpose.

The Disarmament Section of the Secretariat is engaged in collecting, with the assistance of the Economic and Health Sections:

- a. Complete statistical tables for the different States regarding production, commerce, traffic by rail and water, banking and reserves, circulation, deposits, rates of exchange, compensation at clearing houses, etc.
- b. Demographical statistics concerning the population of the States, under the heads of sex, age, vocation, territorial distribution, birth rate and death rate, data of the recruiting boards, immigration, etc.
- c. Statistical data regarding military organization, troops under arms, units, armaments, etc.

22. *COMPETENCE OF THE LABOR OFFICE* —M. Hanotaux, at the direction of his Government, asked that the Permanent Court should be requested to "give an advisory opinion" whether the Labor Office has authority to deal with questions of agricultural labor, and, if so, what is the extent of its competence?

The Council postponed this matter to the next session, and instructed the Secretary-General to prepare for the suggested procedure by consulting with the Labor Office and the legal advisers of the Secretariat.

23. *CILICIAN ARMENIANS* January 14. President Hy-mans, moved by complaints which had come to the Belgian Government from the Catholic Armenian hierarchy, asked the Council to consider the fate of Armenians who had settled in Cilicia in the belief that there they would be under the protection of France, but who were now by the agreement between France and Kemal Pasha, and the consequent French evacuation of Cilicia, left in dire peril.

M. Hanotaux read a memorandum to show what had actually happened in Cilicia.

By the Angora Treaty between France and the Kemalists "the military chiefs of Angora bound themselves to grant to their minorities in Cilicia full and entire protection of life and liberty, the free exercise of their religion, complete legal equality, including admission to public office, the free use of their language even before the Courts, and the right to establish and direct charitable, religious, social and educational institutions.

"By Article 5 of the same Treaty, the chiefs of Angora bound themselves to grant a full and complete amnesty, and they kept their promise, for a proclamation announcing this amnesty was issued as soon as their representative had taken up his duties at Adana.

"Not satisfied with merely obtaining these undertakings, the French Government was determined to insure that they would be fully carried out. For this purpose and having regard to the present circumstances of these communities which called for particular attention, a special mission was sent to the spot under the direction of a consul-general with great experience in Eastern affairs. The members of this Mission have taken up their residence at Adana, Mersina, Deurtyol and Ain Tab.

"The Mission got into touch with the chiefs of Angora and was able without difficulty to obtain the removal of those Turkish officials whose impartiality could not be relied upon. It was able to obtain a suspension of the military recruiting law for a period of six months as regards the Christians of Cilicia. It succeeded in organizing a Franco-Turkish Commission which was provided with a special police force for the protection of property abandoned by its owners.

"The recently appointed Turkish authorities have, it must be confessed, given every assistance to the French Mission in the task of reassuring the native Christians, amongst whom a most regrettable attempt was made to spread panic.

"Even before the arrival of the Mission, this attempt had already borne fruit. Large numbers of Armenians had fled in terror from their homes to seek refuge abroad. On the coast they had found ships ready to embark them. These ships proceeded to Egypt, Palestine and Cyprus. Wherever they went the refugees encountered strict regulations issued by the local authorities, who refused to allow them to disembark.

"Homeless and demoralized, they turned to the refuge of-

ferred them under the French flag and were received in the French mandated territories of Syria and Lebanon. The French High Commissioner organized at Mersina a distribution center for the emigrants where they were divided according to religion, means of support, trade, etc. Means of transport, ships chartered or requisitioned, were placed at their disposal to carry them to Syria. At the frontiers of Cilicia and at Beyrouth, centers for the distribution of the refugees have been opened. Those who have sufficient means of support, or can produce a qualified guarantor (religious leaders or persons of importance), or those who are sure of obtaining employment, are allowed to live wherever their interests may require. With regard to the others, accommodation has been arranged, either in barracks or in the Lebanon convents which are at present unoccupied. All fit men are employed on works of public utility instituted by the High Commissioner. Wages are paid to them, a small part of which is retained for the upkeep of their families.

"Reassured by the news which they are receiving from Cilicia, many of those refugees are already talking of returning home.

"Although he is convinced that the efforts of the French Mission, assisted by the new Ottoman authorities, will be crowned with success and that the Christians will not be molested in Cilicia, the French High Commissioner in Syria has taken measures to enable him to receive other refugees and to make temporary provision for them.

"I wish to draw the Council's attention to the following facts. The credit at the disposal of the High Commissioner in Syria had originally been reduced to 20,000,000 francs for 1922, but was increased to 50,000,000 by the French Parliament on the assurance given by the Prime Minister that 'everything which it is humanly possible to do is being done for the reception of the Armenian refugees, for their relief, and in order to make it possible for them to obtain work. The credit of 50,000,000 will be sufficient for this purpose.'

"For your information I may add that since January 4th the exodus of refugees appears to have ceased.

"The Government of the French Republic feels that by its conduct towards the Cilician minorities it has fully maintained its traditional policy of generous protection with regard to the Christian communities in the East, and has there-

fore no hesitation in giving this frank explanation to the Council of the League, pending the ratification both by Turkey and the Allies of a final treaty defining the rights of ethnical and religious minorities, and the manner in which these rights will be guaranteed by the League of Nations. According to the procedure invariably adopted by the Council, the intervention of the League cannot become effective until the Council itself has decided on its own authority to accept the mandate which will be offered to it in a treaty actually in force."

The Council voted to remind the Allied Powers again of the urgent need of protection for minorities in the Ottoman Empire, and the willingness of the Council to cooperate in measures for such a purpose. For a review of the recent history of Cilicia see *Current History* for May, 1922, pp. 216-220.

24. *HEALTH COMMISSION*—Dr. Rajchmann, Medical Director of the Commission, presented a report which was adopted by the Council.

The Commission reported progress on the collection of information concerning the legitimate consumption of opium. Concerning the smuggling of dangerous drugs out of Germany through territories occupied by Allied troops, the Commission would confer with the Opium Traffic Commission. The Red Cross League would be requested to undertake a propaganda against the excessive use of harmful drugs.

The Medical Director should appoint technical experts to minor posts, with the approval of the Chairman and Vice Chairman of the Commission, to more important posts, with the approval of the Commission.

Dr. Rajchmann and Dr. Norman White, head of the Epidemic Commission, had been in Moscow to confer with Russian health authorities. The epidemic zone on either side of the Russo-Polish frontier must be treated as a unit. Dr. Rajchmann said that the number of typhus cases in Russia was probably 9,000,000, with a mortality of 13 percent. In the spring of 1922 as many as 700,000 Russian emigrants may be expected at the Polish frontier. The Polish sanitary cordon was not strong enough to prevent the infection from spreading westward. The League Commission was trying to get Polish and Russian health authorities together to deal with such a problem. The Epidemic Commission, at the request of Dr. Nansen, had sent Dr. Reginald Farrar, an English epidemiologist, to Moscow to take charge of the sanitary section

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of Dr. Nansen's Russian relief work, but Dr. Farrar had himself died of typhus December 28, 1921. His place was temporarily filled by Dr. Haigh.

The Commission intended to begin a service of epidemiological intelligence with a periodical bulletin. The Commission, at the instance of its Japanese member, favored sending a Commission of Inquiry to study the reported "incessant prevalence of pneumonic plague in Manchuria and Siberia."

The Commission began inquiry on the standardization of serums and the sero-diagnosis of syphilis with a conference at London, December 12, 1921, attended by experts from eleven countries, including the United States, and by representatives of the Office International d'Hygiene Publique.

On recommendation of the Commission the Council approved the appointment of a sub-commission of five experts to visit the Levant and study how to prevent the conveyance of infection by ships from ports on the Black Sea and the eastern Mediterranean. This sub-commission would go under the joint auspices of the Health Commission and the Office International. It will consider measures of quarantine and disinfection with a view to the revision of the International Health Convention of 1912. It will visit no port unless it has the consent of the Government.

The Council voted to approve the Second Assembly's resolution placing the Epidemic Commission in the League Health Organization, and authorized a renewed appeal for financial help to be sent to the Governments which have promised to support the Epidemic Commission.

25. *SALVADOR*--This state not having contributed to the funds of the League, the Secretary-General was instructed to study how the formation of a Central American Federal Union might affect the financial relations of Salvador with the League\*.

26. *INTELLECTUAL CO-OPERATION*--In pursuance of action taken by the First and Second Assemblies, the Council voted to create a committee of twelve which shall include women, and which will consider international questions regarding intellectual cooperation.

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\* It was unofficially reported in the press that 21 States, including many South American nations, were in arrears for the last fiscal year, and that Argentine, as well as Salvador, had never made any payments to the League



**27. TRAFFIC IN WOMEN AND CHILDREN**—The Council voted to constitute an Advisory Committee as recommended in the final Act of the Geneva Convention of July, 1921.

1. The following countries shall each be invited to appoint a representative: France, Great Britain, Japan, Poland, Spain, Rumania, Denmark, Italy and Uruguay. Poland was named instead of Austria, because of the present poverty of Austria. Uruguay was named because the La Plata river carries most of this traffic in South America.

2. The five assessors shall be as follows:

- a. One representative appointed by the International Office for the Suppression of the Traffic;
- b. One representative appointed by the International Women's Organizations (the International Council of Women);
- c. One representative of the International Catholic Association for the Protection of Girls;
- d. One representative appointed by the Federation of National Unions for the Protection of Girls;
- e. One representative appointed by the Jewish Association for the Protection of Girls.

3. "At a subsequent Session the Council shall decide the date upon which the Committee shall meet.

4. "The new Convention shall be communicated to all the States invited to attend the Conference of 1921."

It was announced that 26 States have signed the Convention, adopted by the Conference of 1921. It is only a revised edition of the Conventions of 1904 and 1910.

**28. PUBLICITY**—Representatives of the International Association of Journalists accredited to the League of Nations asked for more publicity for Council meetings and increased facilities for getting reports of Council discussions promptly into the press of the world. Arrangements for publicity at Assembly meetings and at the Washington Conference were held up as a model. The President said that the Council could not provide immediate stenographic reports, because it could not afford to increase its present staff.

The Secretary-General said that press tables would be provided in the Council room.

**29. MIXED COMMISSION ON DISARMAMENT**—The Council voted that its President should have authority to ap-

prove the appointment of the additional members as co-opted by the Mixed Commission.

30. *THE FINANCIAL COMMISSION*—The Commission was asked to report to the next Session of the Council about its future program and about the work of the International Credits Organization.

31. *APPOINTMENTS*—The Secretary-General reported four resignations from the Secretariat since August 26, 1921. The Council approved a list of 32 appointments to the Secretariat, representing 13 nationalities and a salary expenditure of 395,278 Swiss francs.

32. *EXPENSES*—Recognizing the possibility of further improvement in the system of allocation of League expenses, the Council requested the Committee of Five on that subject to continue its work and approved an estimated need of 10,000 gold francs for its labors in 1922.

The Council voted that its next Session should begin on April 25, and that, in the absence of M. da Cunha (Brazil), M. Quinones de Leon (Spain) should preside.

### ***Aftermath of the Supreme Council Meeting at Cannes.***

After a meeting on the 14th at Paris between Premier Poincare and Lloyd George, the Frenchman told the Press representatives that he favored settling international questions by the former methods of diplomatic procedure through ambassadors. This meant the proposed elimination of the Supreme Council and of Conferences of Premiers. M. Poincare was reported to say:

"There must be one final meeting of the Supreme Council, to which all the Allies should be invited, should the French viewpoint prevail, and I have good reasons to believe that it will, so far as Great Britain is concerned. Let us have our Ambassadors settle these questions for us."

The first result of this new French policy regarding conferences was the indefinite postponement of a Near East Conference of Italian, French and British Foreign Ministers which had been planned to meet at Paris in the week of January 15, and agree, if possible, upon a common policy with reference to Greeks and Turks in Asia Minor.

Lloyd George's comment upon M. Poincare's opinion of

conferences was first publicly made in a speech at a Liberal Council convention at Westminster, January 21. He compared the Genoa and Washington Conferences to the two wings of the Angel of Peace hovering over the world.

The Genoa Conference could not be called by the League of Nations, because the presence of Russia and the United States was much to be desired, and neither of those Governments would have anything to do with the League.

Referring to these facts and to the opinion of Lord Grey and Lord Robert Cecil that the Genoa Conference should have been summoned by the League, Mr. Lloyd George observed:

"I am a believer in the League of Nations. I wish some of those friends would not run it as if it were a sort of little party show too often. They must remember the League of Nations is established by the much-abused Treaty of Versailles, and, therefore, as one of the also much-abused authors of that much-abused treaty, I naturally have great belief in what was partly the work of my own hands. But you must not run a thing like this too hard. If you give work to the League of Nations which for special reasons it is not adapted to discharge, you do harm to the League of Nations. The League of Nations is in the making and you cannot make things by written constitutions. You must create confidence in it, and confidence can only be created by achievement, and every failure which the League could very well afford when it was well established, every failure at this stage, is a ruinous one. It is like the fall of an infant; it may get a broken spine, and it would simply limp for the rest of its days. It must establish itself, but it cannot do that if you entrust it with duties which at the moment it is obvious, for special reasons, it is unfit to carry through to such a full issue."

His direct answer to M. Poincare and the militarists was as follows:

"If there had been a conference in 1914, in July, there would have been no catastrophe in August; it would have been impossible. You watch it. It is my business to watch it, and this is what happens when you do not meet to interchange views. Misunderstandings arise, misunderstandings ripen almost into entanglements, fierce controversies begin. After an interval you have a conference and misunderstandings disappear, suspicions are removed and there is improved temper, and, although you do not achieve the ultimate result you get nearer to it. It is true you cannot point to a single confer-

ence that has settled the entanglements, but each conference is a rung in the ladder that enables you to reach ultimate peace on earth.

"There are those who go back to an old note and say: 'Let us get rid of conferences. Let us interchange dispatches and letters.' What follows? Each party states its own point of view, and, instead of bringing the parties together, it too often hardens them in their convictions. You cannot have it out with a letter, you cannot argue with a dispatch, you cannot reason with a diplomatic message. Come face to face and I have profound conviction and faith in the ultimate reason of man.

"I am an optimist, I believe in my fellowmen made in the image of God and that if you bring them together to talk quietly reason prevails.

"The greatest appeal for the return to old diplomacy is made by those who have been devastated by it. If you had had a conference under the new methods you would not have had the provinces of France now awaiting repair. It is no use gibing at France. It is very easy. The men who hate conferences are the men of rigid views, the men who dislike facing realities, but once in a conference there is somebody, at any rate, who brings them face to face with realities. There are people who have never looked a reality in the face, and it is a good thing forcing them to do it now and again.

"All those who are anxious for peace should have the courage to tread the only path that leads to peace and believe in open discussion.

"There is a conference to be held at Genoa, in many respects the greatest international conference ever held. The nations of Europe without distinction have been invited to come. Why have they all been invited to come? Because we want to put an end to these constant wars and rumors of wars, which are just as bad, or at least almost as bad, for international business as war itself. You hear one day that Russia is arming to attack Poland, that Poland is organizing an insurrection in the Ukraine, that Russia is going to attack Rumania and that Finland is going to attack a part of Russia. You hear that one of the States that used to constitute the Austrian Empire is threatening its neighbors and that its neighbors threaten it back.

There is no stability in that. You cannot build up business on that rotten foundation. There are rumors and rum-

bles in Central Europe, and we are going to bring the countries together face to face and see if there is a chance of bringing them to some reasonable understanding.

"The present condition of things is bad for us. That that must be so is realized by sensible people in Great Britain. They say, 'What a beginning; forty-five nations and a thousand experts; what extravagance; a thousand experts, financial, diplomatic and economic.'

"They are cheaper than military experts, their retinue is smaller. One thousand experts, and we have just concluded an argument conducted between the same nations lasting four and a half horrible years! There were 30,000,000 of men engaged in that conference, there were 10,000,000 of young men left dead on the debating ground, ten more millions mutilated, fifty billions of expenses. People may better try another conference. Look at poor Europe, bleeding, devastated, desolate, distressed! Do give us another chance of talking together, appealing to reason, seeing whether we cannot get men to listen and seeing whether the old sense of brotherhood that is at the bottom of all of the human race will not end in grasping hands and in friendly co-operation with the rest, and not in conflicts that bring disaster and ruin upon all."

#### ***Governing Body of the Labor Office***

The Governing Body held its eleventh Session at Geneva January 17-19, 1922. There were present eleven representatives of Governments, six of employers, and six of workers. In discussing the appeal of France to the Permanent Court for an opinion on the competence of the Labor Organization in agricultural questions, the Governing Body was of the opinion that in all such cases it ought to be consulted beforehand.

The Governing Body considered agenda for the Fourth Session of the Labor Conference; took the first steps, the votes of France dissenting, toward the formation of an Agricultural Commission, instructing the Director to examine the possibility of collaboration with the Institute of Agriculture at Rome; prepared to co-operate with the Genoa Conference on the subject of unemployment; and approved proposals submitted by the Labor Office for a March conference of experts on conditions of labor for persons disabled.

The Governing Body voted to refer to the Permanent Court the dispute arising in the Netherlands over the method of choosing workers' delegates to the Labor Conference. Acting

under a resolution adopted by the Third Labor Conference, the Governing Body decided to set up an Advisory Committee on Anthrax, and to ask the following States to name representatives: Australia, Belgium, France, Germany, Great Britain, India, Italy, Japan, South Africa, Spain, United States of America.

### ***Austrian Reconstruction.***

January 18. Government officials at Washington pointed out that the United States is not alone to blame for delay in applying the Ter Meulen plan of rehabilitation to Austrian finances. This plan depends on the consent of all countries concerned to a twenty-year moratorium for Austria. The United States waits for authority under a Foreign Debt Refunding Act. But Italy on August 17, 1921, refused to postpone claims for payment except under conditions which the French Government would not sanction. Yugo Slavia and Rumania also refused assent, except under similar conditions, and so nothing is done.

### ***Reparations.***

January 18. The Reparations Commission announced today that Germany had paid 31,000,000 gold marks according to the decision of the Commission at Cannes that, until the reparations question is settled, such a sum must be paid every ten days in foreign currency to banks designated by the Committee of Guarantees.

The Reparations Commission has decided to change the system of the monthly program of coal and coke for a total to be delivered in three months, namely, 5,750,000 tons. The German delegation has formally accepted this change.

### ***Saar Valley Delimitation Commission.***

On January 21 the three members of this Commission, appointed by the Council at its first meeting (see First Year Book, p. 4), announced to the Council that their work was completed, that their delimitation documents had been signed at Paris on December 21, 1921, that their General Report had been adopted by a majority vote, the German Commissioners dissenting, and that the Commission would be dissolved on January 31, 1922.

### ***Chile vs. Peru.***

It was announced on January 20 at Washington that both Chile and Peru had accepted the invitation of the United States to send delegates to Washington for the purpose of beginning negotiations upon the Tacna-Arica dispute. Bolivia, on the 21st, asked President Harding for admission to the parley. The President answered, on the 28th, that such a change in the constitution of the Conference could be made only by Chile and Peru together.

### ***Russian Relief.***

January 25. The League's Committee on Russian Relief, in session at Geneva, heard Dr. Nansen report that the Soviet authorities had not been able to provide for his work the transportation facilities which they had promised in the agreement of August 27. He reported the total population affected by the famine as 33,000,000. Grain enough could be moved to save not more than 7,000,000. More money was needed to buy supplies. The Committee had had 28,000,000 gold francs, but it was not enough.

## CHAPTER II.

### THE PERMANENT COURT—EGYPT AND INDIA HEARD FROM — COMMISSION MEETINGS — SEVENTEENTH SESSION OF THE LEAGUE COUNCIL—REPARATIONS.

#### *The Permanent Court of International Justice.*

The new World Court held its first preliminary session in the Peace Palace at The Hague on Monday, January 30. Nine judges and two deputy judges were in attendance. Dr. B. T. C. Loder of Holland took the chair as President *pro tem*. It was decided that

a. Deputy judges should vote in the election of the President and other officers, and that the election should occur on the following Friday.

b. The Secretariat of the League of Nations should be asked to provide the Court with a provisional Secretariat.

c. The Court should hold its first public session on February 15.

On February 3 Dr. B. T. C. Loder of Holland was elected Presiding Judge for three years. This office carries with it a salary amounting, plus allowances, to about \$24,000, the other judges receiving about \$14,000. A. K. E. Hammarskjöld of Sweden was elected Recorder, or Clerk of the Court, for a term of seven years. A rival candidate, Alejandro Alvares of Chile, received three votes. The supporters of the latter urged that as 20 nations followed Spanish law the Recorder ought to be a man familiar with that system.

The proposal by John Bassett Moore (United States) that the Court adopt gowns as the official garb was carried by the Chairman casting his vote against those of Professor Altamira and four others, who argued that the wearing of gowns was not in accord with the democratic principles with which the Court ought to be imbued.

February 15. The Permanent Court of International Justice had its ceremonial opening today in the Peace Palace at The Hague in the presence of the Queen of the Netherlands and a brilliant assembly. All the members of the Court were present except MM. Barbosa (Brazil) and Bustamante (Cuba),



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judges, who were ill, and M. Wang Chung Hui (China), deputy judge. Each judge took oath to perform his duties "honorably and faithfully, impartially and conscientiously." Speeches were made by M. da Cunha, President of the Council of the League of Nations; by M. Van Karnebeek, in behalf of the Dutch Government; by the Lord Mayor of The Hague, and by Judge Loder, who was elected President of the Court. Judge Weiss (France) was chosen Vice President and M. Hammarskjöld was continued as Registrar. The Court framed its rules of procedure, and in accordance with its statute constituted three Special Chambers. Of the Chamber of Summary Procedure Judge Loder is President; of the Chamber to Deal with Labor Questions Lord Finlay is President; of the Chamber for Cases in Transit and Communications Judge Weiss is President. The rules of procedure are summarized in the League Monthly Bulletin for April, 1922. This work was completed on March 24 and then the Court adjourned until June 15.

#### ***Genoa Conference.***

February 19. The French Government notified the nations that had accepted invitations to the Genoa Conference that France regarded March 8 as too early a date for the beginning of the Conference, and had asked the Italian Government for a postponement. During the month since M. Poincaré came into power he had pursued his announced policy of transmitting his views about the agenda of the Genoa Conference to the British Government by means of diplomatic notes, to which Lloyd George was very slow in replying.

#### ***Commission on Reduction of Armaments.***

February 20. The Mixed Commission on Armaments met today at Paris under the presidency of René Viviani. The Commission went to work upon the information collected by the Secretariat about the military establishments and needs of League members. One sub-committee was named to report on gas warfare, and another to consider arms traffic. The Commission voted to ask the League Council to choose new members of the Commission from States not already represented, or not adequately represented. It decided to suspend the inquiry on the use of poison gas until full details of the

agreements on that subject at the Washington Conference could be available.

The Commission rejected in principle the idea of framing proposals for reduction of armaments in the form of a draft treaty, on the ground that the preparation of a treaty was the prerogative of the Council. It received various proposals for land disarmament, and a British delegate, Commander Segrave, moved that the Washington Conference principle of reduction in naval armament be applied uniformly among League members. The Commission considered a draft plan for reduction of land armament, outlined first by Lord Esher (Great Britain). This is to be sent to all League members, who are requested to send their judgments of it to the Commission. The plan takes 30,000 men as the unit of land armament and allots to Belgium 2 units; to Czecho-Slovakia 3; to Denmark 2; to France 6; to Great Britain 3; to Holland 3; to Norway 2; to Poland 4; to Portugal 1; to Rumania 3; to Sweden 2; to Spain 3; to Switzerland 2. This would mean about 1,380,000 soldiers, a reduction of 50 percent. The armies of the Central Powers are limited by the peace treaties. Russia is of course omitted. On February 25 the Commission adjourned until July 15.

### ***Conference of Premiers.***

February 25. Premier Poincare abandoned the policy of diplomatic notes, and met Lloyd George in conference at Boulogne. The purpose was to secure Franco-British accord in holding a conference at Genoa. That end was attained. Lloyd George agreed that nothing should be done at Genoa to imperil the peace treaties, or the allied claims for reparations, or the rights of the League of Nations. Poincare agreed that the Conference should meet on April 10 without any obstruction from France, and that he would co-operate with Lloyd George for its success. The two Premiers also reached agreements about the treatment of Russia and about the proposed Anglo-French compact. The most important changes in the latter, from the form in which Briand and Lloyd George originally drew it, were the lengthening of its term from ten to twenty years, and a pledge that England and France would act together in case of trouble on Germany's eastern frontier. This means the protection of Poland, France's main prop and ally.

This new compact, if approved, will provide the security for France which France, at the Paris peace conference, expected to get from the triple guarantee treaties with Great

Britain and the United States, which failed to obtain ratification at Washington. It will provide the security without which Briand said at the Washington Conference the reduction of French land armament would be impossible.

### ***International Credit.***

February 27. One of the plans approved by the Supreme Council at Cannes was an international banking consortium for economic reconstruction of Europe. From February 21-25 an international organizing committee at London worked out the scheme. The committee included British, French, Italian, German, Japanese, Belgian and Danish delegates, with unofficial representatives of the United States (E. L. Sheldon and J. Grant Forbes).

Their plan was published on the 27th. It calls for a Central International Corporation, resting upon various national corporations, which are to represent an aggregate capital of £20,000,000. Within the next week the British, German and Italian Governments gave assurances of support to their nationals who embarked in this scheme, but the Belgian Government refused to give any guarantee to its nationals, and the French Government reserved decision.

### ***Egypt.***

February 28. Mr. Lloyd George announced in the House of Commons that the British protectorate in Egypt is ended, that martial law in Egypt will be withdrawn as soon as an act of indemnity is passed, and that the independence of Egypt would be recognized but that the Egyptian Government must enact necessary laws, to which "we undertake to place no obstacle, provided the final clause of the Government's declaration is duly observed." The final clause defines the special relations between the British Government and Egypt, and declares that the following four matters are absolutely reserved to the discretion of the British Government:

"First—Security of the communications of the British Empire in Egypt.

"Second—Defense of Egypt against all foreign aggression or interference, direct or indirect.

"Third—Protection of the foreign interests of Egypt and protection of minorities.

"Fourth—We are prepared to make an agreement with the Egyptian Government in a spirit of mutual accommodation whenever a favorable opportunity arises for the conclusion of such an agreement. But until such an agreement, satisfactory to ourselves and to the Egyptian Government, has been concluded, the status quo will remain intact."

The proclamation that Egypt is an independent, sovereign State was made at Cairo on March 16. The Sultan, Ahmed Fuad, took the title of Malek, or King.

### ***Vilna.***

March 1. On March 1 the Lithuanian Government informed President Hymans of the League Council that the resumption of any diplomatic and consular relations with Poland must "depend upon the previous re-establishment of the status quo created by the Conference of Suwalki of October 7, 1920, and upon the remedying of the consequences following its violation by the Polish General Zeligovski." The note pointed out that the territorial boundaries of Poland and Lithuania were in dispute and that the Lithuanian people lacked confidence in the purposes of the Polish Government. The deputies, chosen for the Vilna Diet at the Zeligovski elections on January 8, having voted March 2 in favor of uniting the province to Poland, the British Government warned the Polish Government against permitting any attempt at such annexation. Nevertheless on March 24 the Polish Diet at Warsaw voted to annex Vilna to Poland. The Lithuanian Government on April 8 notified the President of the Council of the League that it would not recognize this annexation.

### ***India Interferes in European Politics.***

March 8. The British Government in India, embarrassed by the M. K. Gandhi non-cooperation revolt among Hindus, and faced with an accompanying insurrectionary agitation among the 66,000,000 of Moslems in India, tried to take advantage of the Near East Conference of Ministers of Foreign Affairs, which had been called to meet in Paris on March 22. A telegram sent from Delhi by the Viceroy, Lord Reading, practically demanded the restoration of the Ottoman Empire with the Caliphate of the Sultan. It was worded as follows:

"On the eve of the Greek-Turk Conference we feel that it is our duty again to lay before your Majesty's Government the intensity of feeling in India regarding the necessity for a revision of the Sevres Treaty between Turkey and the Allies.

"The Government in India is fully conscious of the complexity of this problem, but India's record in the war, in which Indian Moslem soldiers participated in such great numbers and the support which the Indian Moslem cause has received in the entire nation, entitle her to claim the completest fulfillment and justify her reasonable aspirations.

"The Government in India particularly emphasizes the necessity of guaranteeing the neutrality of the Dardanelles and the security of its non-Moslem peoples. It also urges evacuation of Constantinople, sovereignty of the Sultan over holy places, restoration of the Turk in Thrace, also in Adrianople and Smyrna. The Government urges that these points are of supreme importance to India."

The publication of this message by the Secretary for India, Mr. E. S. Montagu, on March 8, without the knowledge of Lord Curzon and Mr. Lloyd George, was immediately followed by Mr. Montagu's enforced resignation.

### ***Commissions of the Allies in Central Europe.***

March 8. It was announced that Great Britain had made to the Allies and submitted to the Council of Ambassadors proposals for retrenchment in expenses of commissions created under the peace treaties and maintained in Central Europe at the expense of Germany and its former Allies. It was said that:

- a. The Reparations Commission in Germany (171 persons) cost 32,000,000 marks a month;
- b. The Reparations Commission in Austria cost 71,500,000 kronen since August;
- c. The Reparations Commission in Hungary cost 100,000,000 kronen a month;
- d. The Military Commission in Hungary cost 250,000,000 kronen in six months;
- e. The Interallied Commissions and troops in Bulgaria cost 720,000,000 francs in six months;
- f. The Commission of Control in Germany (1,568 persons), cost 23,500,000 marks a month;

- g. The Naval Board of Control at Kiel should be abolished, for the Council of the League of Nations can keep track of naval construction in Germany through the Permanent Armaments Commission.

Two Commissions were proposed to be maintained in Germany at Allied—not German—expense:

- a. An Allied Aircraft Commission to prevent evasions of the treaty of Versailles.  
b. An Allied Commission to enforce and maintain disarmament clauses in that treaty.

### *Genoa Conference.*

March 8. United States will not attend the Genoa Conference. The invitations to attend the Genoa Conference were issued by the Italian Government. In declining it for the United States Secretary Hughes sent this note to the Italian Ambassador.

Department of State,  
Washington, March 8, 1922.

Excellency:

I have the honor to acknowledge the receipt of your Excellency's note transmitting the invitation addressed by the Italian Government to the Government of the United States to take part in an "economic and financial" conference to be convened at Genoa, pursuant to the resolution adopted on January 6, 1922, by the Allied Governments in conference at Cannes.

I have also received your later notes with respect to American representation, the proposed agenda and the postponement of the date of the proposed conference.

Since the receipt of your Excellency's first note the question of American participation in the proposed conference has had the most earnest attention. I am sure that you will realize that the Government of the United States must take a deep interest in any conference which holds promise of effective measures to promote the economic rehabilitation of Europe, since not only do we keenly desire the return of prosperity to the peoples who have suffered most severely from the wastes and dislocations of war, but it is also manifest that there can be no improvement in world conditions in the absence of European recuperation.

It is with this sympathetic spirit, and with the utmost reluctance to withhold its support from any appropriate effort to attain this object, that the Government of the United States has examined the resolutions adopted at Cannes and the suggested agenda for the conference.

I regret to inform your Excellency that, as a result of this examination, it has been found impossible to escape the conclusion that the prospective conference is not merely an economic conference, as questions appear to have been excluded from consideration without the satisfactory determination of which the chief causes of economic disturbance must continue to operate, but is rather a conference of a political character in which the Government of the United States could not helpfully participate.

This Government cannot be unmindful of the clear conviction of the American people, while desirous, as has been abundantly demonstrated, suitably to assist in the recovery of the economic life of Europe, that they should not unnecessarily become involved in European political questions.

It may be added, with respect to Russia, that this Government, anxious to do all in its power to promote the welfare of the Russian people, views with the most eager and friendly interest every step taken toward the restoration of economic conditions which will permit Russia to regain her productive power; but these conditions, in the view of this Government, cannot be secured until adequate action is taken on the part of those chiefly responsible for Russia's present economic disorder.

It is also the view of this Government—and it trusts that view is shared by the Governments who have called the conference—that while awaiting the establishment of the essential basis of productivity in Russia, to which reference was made in the public declaration of this Government on March 25, 1921, and without which this Government believes all consideration of economical revival to be futile, nothing should be done looking to the obtaining of economic advantages in Russia which would impair the just opportunities of others, but that the resources of the Russian people should be free from such exploitation and that fair and equal economic opportunity in their interest, as well as in the interest of all the Powers, should be preserved.

While this Government does not believe that it should participate in the proposed conference, it sincerely hopes that

progress may be made in preparing the way for the eventual discussion and settlement of the fundamental economic and financial questions relating to European recuperation which press for solution.

Accept, Excellency, the renewed assurance of my highest consideration.

(Signed) CHARLES E. HUGHES.

His Excellency,

Senator Vittorio Rolandi Ricci,  
Ambassador of Italy.

### ***German Payments.***

March 8-10. On these days the Finance Ministers of the Allies conferred at Paris about German reparations and payments for the armies of occupation. Roland W. Boyden, United States delegate upon the Reparations Commission, attended as an observer.

The sums disbursed by the Allies for their armies, which are to be reimbursed by Germany, amounted on May 1, 1921, to the United States, 1,028,000,000 gold marks; France, 1,042,000,000 gold marks; Great Britain, 903,000,000; Belgium, 178,000,000; Italy, 10,000,000.

The Finance Ministers decided to uphold the Cannes Agreement for the division of the billion marks gold cash Germany paid in 1921. England gets 500,000,000 for the army cost, France gets 140,000,000 army cost, Italy 30,000,000, and the rest goes to Belgium for general reparations, her Rhine army claim having been paid. This payment to France will not square accounts, although France has received large payments in kind. France has still to collect about 200,000,000 gold marks, and Great Britain about 75,000,000.

The payments for 1922 will be allotted to England, Belgium and France in accord with the Cannes Agreements. The Armies of Occupation costs to England, France and Belgium will be met out of a separate fund of 220,000,000 marks to be paid by Germany this year. The Belgian claim was fixed at 102,000,000 Belgian francs; the French share at 460,000,000 French francs; the British share at £2,000,000. The American claim since May 1, 1921, was not stated.

The Finance Ministers also decided to approve the Wiesbaden contracts between France and Germany calling for pay-



ments in kind. They will run for three instead of five years, originally specified.

The job of fixing the German payments for 1922 will be turned over to the Reparation Commission. This Commission faces the German declaration that they cannot continue the gold payments.

On March 10, Mr. Boyden presented for his Government a request that the sum of \$241,000,000 should be paid to the United States to meet the cost of its army of occupation, together with interest on sums due down to May 1, 1921, "before any part of the German payments shall be distributed for reparations, or for any other purpose." The Finance Ministers after deliberation replied that they were acting under the Versailles Treaty, and could do nothing with an American claim upon money belonging to the Allies, other than to transmit the claim to their Governments. The United States demand was based on the Berlin Treaty between this country and Germany to which treaty the Allies were not a party, and on the Armistice terms, which for the United States were in effect until November, 1921, 36 months, but which, so far as the Allies are concerned, were ended in January, 1920, when the Treaty of Versailles went into effect. Inasmuch as Germany has paid in cash only about \$300,000,000, it was evident that the satisfaction of the American claim would leave but little for others. The immediate response from Allied Governments was only the assurance that American rights would be respected. The Reparations Commission informed the Conference that Germany had paid up to December 31, 1921, a total of 6,487,856,000 gold marks. This does not include paper marks and materials furnished directly for the armies of occupation, costs of various allied commissions, and payment by Germany for food and raw materials, supplied after the Armistice. Including all sorts of payments, Germany has delivered since the Armistice, 11,400,000,000 gold marks.

#### ***Allied Commission of Control in Germany.***

March 15. The Council of Ambassadors received a proposal from the French Minister that the present Commission control of Germany be continued for eight years. Count Sforza (Italy) thought it better to turn the execution of the Military clauses of the Versailles Treaty over to the League of Nations. France assented, but the British ambassador asked to refer this to his Government.

On this day it was announced that the Czecho-Slovak, Yugo-Slav, Polish and Rumanian Governments—the Little Entente—had agreed upon their common policy at the Genoa Conference.

### ***The Empire of Oil.***

March 17. Secretary Hughes in another note to the British Government in behalf of equality of opportunity for American business in Mesopotamia, challenged the right of the Turkish Petroleum Co. to exclusive exploitation of the Mesopotamian oil fields. This is the company which, according to the British Government, based its claims upon concessions granted long before the Great War. A remarkable history of the American claims in Mesopotamian oil fields is to be found in *Current History* for March, 1922, pp. 953-959.

It is reported that since February representatives of the Standard Oil Co. and of the Anglo-Persian Oil Co. had been meeting in London to perfect details of an agreement to divide between them the oil wealth of Persia. It was said at the New York office of the Standard Oil Co. on March 31 that these negotiations were still under way; also that the Persian Government was negotiating with the Standard Oil Co. for a loan of \$1,000,000. At the same time contracts between the Standard and the Government of Czecho-Slovakia awaited Parliamentary ratification, to which the Royal Dutch-Shell group was opposing obstacles. To this latter group the Standard Oil Co. lost its fight to share in concessions in the Djambi oil fields on the island of Borneo.

In addition to the foreign countries above named, the Standard Oil Co. controls acreage of oil fields in Argentina, Bolivia, Canada, Colombia, Peru, Mexico and Venezuela. In oil production the United States leads; Mexico is second, and Persia third.

### ***A Baltic League Created.***

Representatives of Poland, Latvia, Estonia and Finland, after a three-day conference at Warsaw, signed there on March 17 an agreement which virtually establishes between those States a second Little Entente. This conference was the outcome of a series of no less than four conferences during 1920 and 1921, all of which were inspired by a desire to induce the smaller Baltic States to stand together.

At Warsaw these States agreed to settle all disputes

among themselves by peaceful methods. They may appeal to arbitration or to the Permanent International Court of Justice. If one of them is attacked without provocation, they will take a "benevolent attitude" towards the State attacked and "will at once agree upon the proper steps to take."

The agreement recognizes the various treaties between these States and Soviet Russia.\* It provides that the texts of all treaties made by any of these States with outside States must be at once communicated to the other three members of the Baltic League. It provides for the negotiation of commercial treaties and for the protection of national minorities. The agreement holds for five years from the date of depositing the last ratification, and may then be automatically renewed in one-year periods, subject to denunciation on six months' notice. A weak point in this project is the absence of Lithuania, which would be kept out of it by the quarrel with Poland about the Vilna province. Moreover, the peace treaties between these Baltic States have not been recognized by the Allied Powers, so that the boundaries established by those treaties lack a desired international sanction. The Poles are especially anxious about their Eastern frontier for which they would like to have the approval of the Great Powers.

On account of the opposition of the Socialist party in Finland the Government of that country has not been able to ratify this Treaty of Warsaw. The text of the treaty is in *Current History* for June, 1922, page 471; see also *Fortnightly Review* for May, 1922, page 734.

### *Council of Ambassadors.*

On March 21, it was announced that the demand of the German Government that the Allies accept responsibility for damages to property in Upper Silesia, during the warfare between Germans and Poles in 1921, had been rejected by the Council of Ambassadors. The Treaty of Versailles provided that the cost of administering the plebiscite district under the Interallied Commission must be defrayed from local taxation. The Council decided that this covered claims for damages to property. The Council also confirmed to Poland the possession of the territory of five villages in East Prussia on the east bank of the river Vistula. The German Government claimed

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\*Treaty with Estonia, Feb. 2, 1920 with Latvia, Aug. 11, 1920; with Finland, Oct. 14, 1920; with Poland, March 18, 1921. The last treaty included also Ukraine and White Russia.

these villages because they voted for Germany in the plebiscite of 1920. This territory is the spot where East Prussia is contiguous to the Vistula river, and the Council's decision is based on Article 97 of the Treaty of Versailles which concedes to Poland the control of that river, although assuring to East Prussians access to the river and the use of it.

#### ***Payment for U. S. Army of Occupation***

March 22. On this day was published the text of the identic communications addressed by Secretary Hughes to the Governments of Belgium, Great Britain, France, Italy and Japan on the American demand for payment of Rhineland occupation costs as follows:

The Government of the United States has believed and still believes that the Governments of the Allied Powers have no disposition to question the right of the United States to be paid, upon an equal footing with them, the actual cost of its Army of Occupation, which it has maintained in Germany since the joint Armistice Agreement of November 11, 1918. While the attitude of the Government of the United States in expecting full payment of these costs has been repeatedly set forth, it is deemed to be appropriate, in view of recent developments, to make this statement of its position.

The amount of the claim of the United States for its army costs is understood to be well known and to be free from any substantial dispute. According to the information and accounts in the possession of the Allied Governments, it appears that the total cost of all the armies of occupation from November 11, 1918, to May 1, 1921, amounted to 3,639,282,000 gold marks; that the amounts due to Belgium, France and Italy for their army costs for that period have been paid in full (chiefly through deliveries of property), and that the unpaid balance of army costs due May 1, 1921, amounted to 1,660,090,000 gold marks, due to the United States and the British Empire as follows:

United States, 966,374,000 gold marks.

British Empire, 693,716,000 gold marks.

(The French do not admit that their costs have been paid in full.)

It is understood that between May 1, 1921, and December 31, 1921, the British Government received cash payments as against this balance of about 130,696,000 gold marks. In view

of the position taken by the Government of the United States, this payment was expressly made and received subject to the rights of the United States.

In November, 1921, the Commission appointed by the Supreme Council to give its opinion on the expenses of the armies of occupation made its report dealing with the army costs since May 1, 1921. This included calculations with respect to the American Army, and its actual costs since that date were included in the proposed provision for payment *pari passu* with the other Powers.

It had been supposed that this report to the Supreme Council would be referred to the Conference of Ambassadors and would pave the way for suitable action with respect to the American Army costs both current and accumulated. It was with surprise that the Government of the United States recently learned that negotiations in connection with and following the meeting at Cannes in January last apparently contemplated the substitution for the recommendation of the Army Costs Commission of other arrangements which would ignore American Army costs altogether, although estimates both for army costs and reparations were being made on the basis of the entire capacity of the German Government to pay.

When it came to the notice of this Government that it was proposed at the meeting of the Finance Ministers, to convene at Paris on March 8, definitely to assign the greater portion of the amount heretofore paid in cash by Germany, and not yet finally allocated, to the payment of army costs without making any provision for those of the American Army, it was deemed advisable again to direct attention to the position of the United States. The Government of the United States has been advised that all the arrangements of the Finance Ministers have been made subject to the rights of the United States and that these Ministers have also suggested that the Government of the United States should take up the question directly with the Governments concerned.

The Armistice Agreement concluded between the Allied and Associated Governments and Germany on November 11 1918, provided for military occupation by the Allied and United States forces jointly, and it was expressly provided that—

The upkeep of the troops of occupation in the Rhine districts (excluding Alsace-Lorraine) shall be charged to the German Government.

It is not believed that the meaning of this agreement can be regarded as doubtful. It had not only its express provision

but its necessary implications. It is the view of this Government, and it is confidently believed that it is the view of all the Governments concerned, that this agreement on the part of the Allied and Associated Governments with Germany, and with each other, had the clear import that the Powers associated in this joint enterprise should stand upon an equal footing as to the payment of all the actual costs of their armies of occupation and that none of the Powers could, consistently with the agreement, make any arrangement for a preferential or exclusive right of payment.

Further, it is assumed that it would not for a moment be contended that any of the Allied Powers would have been entitled to enter into any arrangement by which all the assets or revenues of the German Empire and its constituent states would be taken for their benefit, to the exclusion of any of the other Powers concerned.

It was apparently in recognition of the existing and continuing obligation as to army costs that in the Treaty of Versailles, in undertaking to place "a first charge upon all the assets and revenues of the German Empire and its constituent states" (Article 248), priority was given to the total cost of all armies of the Allied and Associated Governments in occupied German territory from the date of the signature of the Armistice Agreement.

Articles 248 and 251 of the Treaty of Versailles provide:

Article 248—There shall be paid by the German Government the total cost of all armies of the Allied and Associated Governments in occupied German territory from the date of the signature of the Armistice of November 11, 1918, including the keep of men and beasts, lodging and billeting, pay and allowances, salaries and wages, bedding, heating, lighting, clothing, equipment, harness and saddlery, armament and rolling stock, air services, treatment of sick and wounded, veterinary and remount services, transport service of all sort (such as by rail, sea or river, motor lorries), communications and correspondence, and in general the cost of all administrative or technical services the working of which is necessary for the training of troops and for keeping their numbers up to strength and preserving their military efficiency.

Article 251—The priority of the charges established by Article 218 shall, subject to the qualifications made below, be as follows:

(a) The cost of the armies of occupation as defined under Article 249 during the Armistice and its extensions;

(b) The cost of any armies of occupation as defined under Article 249 after the coming into force of the present treaty.

By the treaty between the United States and Germany, signed August 25, 1921, the ratifications of which were exchanged on November 11, 1921, it is provided that the United States shall have and enjoy the rights and advantages stipulated for the benefit of the United States in the Treaty of Versailles, notwithstanding the fact that the treaty has not been ratified by the United States.

The Government of the United States entertains the view, and submits it to the consideration of the Allied Governments, that the United States is entitled to payment of the costs of its Army of Occupation *pari passu* with the Allied Governments, and that payments received by them from Germany in the circumstances disclosed cannot be used to the exclusion of the United States without its consent.

The Government of the United States is unable to conclude that the justice of its claim is not fully recognized. The Governments of the Allied Powers will not be unmindful of the fact that the Government of the United States has repeatedly and earnestly been solicited not to withdraw its Army of Occupation, and this army has been continued upon the basis of the right to be paid its actual cost upon an equal footing with the Allies.

But while it is believed that the Allied Governments cannot fail to appreciate the manifest equity of the claim of the United States, it is understood that it has been suggested that there are technical difficulties which stand in the way of its recognition. While willing to take into full consideration every possible question, this Government is unable to find any such technical obstacle.

It is assumed that if any technical question were raised it would be based upon the fact that the United States has not ratified the Treaty of Versailles. It may be pointed out however, that Germany has explicitly consented to the priority of payment of the cost of the American Army of Occupation, notwithstanding the fact that the Treaty of Versailles has not been ratified by the United States.

Hence, any technical objection to the application of the payments made by Germany to the discharge of the just claim of the United States for the cost of its Army of Occupation

upon the ground that the United States had not ratified the Treaty of Versailles would necessarily rest, not upon any action or lack of action on the part of Germany, but solely upon the refusal of the Governments of the Allied Powers themselves to permit the discharge of an admittedly equitable claim, and thus to seek to maintain in their behalf exclusively a first charge upon all the assets and revenues of the German Empire and its constituent states for demands exhausting the full capacity of the German Government to pay. The Government of the United States finds it impossible to conceive that any such attitude would be taken by the Allied Governments.

The Government of the United States believes that its right to priority of payment for its actual army costs, upon an equal footing with the Allied Powers, is not in any way affected by its failure to ratify the Treaty of Versailles. The right of the United States to share in this priority was not expressly conditioned, and in view of the nature of the claim and of the fact that the treaty purported to create a first charge upon all the assets and revenues of the German Empire should not be construed as being conditioned upon the ratification of the treaty by the United States.

It may be noted that the treaty was to come into force on the ratification on the part of Germany and of three of the principal Allied and Associated Powers. By Article 251, quoted above, there is provision for priority of the cost of the armies of occupation during the Armistice and its extensions and the cost of "any armies" of occupation after coming into force of the treaty. This would seem clearly to embrace the cost of the Army of Occupation maintained by the United States.

The Government of the United States believes that its right to be paid the actual cost of its Army of Occupation *pari passu* with the cost of the armies of the Allied Powers is not only a clearly equitable right but is free from any technical objection.

This Government will welcome any suggestion from the Allied Governments for the reasonable adjustment of this matter. Upon receiving assurances of payment this Government will be only too happy to proceed to the consideration of suitable means by which its just claim may be satisfied. Pending such consideration and adjustment, this Government earnestly hopes that the Allied Governments will be disposed to refrain from giving effect to any arrangement for the distribution of



cash payments received from Germany to the exclusion of the claim of the United States.

On March 25 the Department of State at Washington issued a supplementary statement to meet the French comment that France had not been paid in full. This note with introductory statement was as follows:

"After the dispatch of the instructions to the American diplomatic representatives for delivery of the identic note on army costs, the Department of State was informed that it had been proposed to postpone the debit to France, as against its army costs, of the value of the Saar mines to the year 1922. The postponement of this debt would affect the balance of the account as of May 1, 1921. Accordingly, the Department of State sent instructions on Wednesday, March 22, to the American diplomatic representatives to deliver an identic supplementary note to the Government of Belgium, Great Britain, France, Italy and Japan."

The text of the supplementary note is as follows:

"In its note of March 22, 1922, the Government of the United States stated that according to the information and accounts in the possession of the Allied Governments, it appeared that the amount due to France for its army costs to May 1, 1921, had been paid in full, chiefly through deliveries of property.

"The Government of the United States is now informed that it is proposed to postpone the debit to France for the value of the Saar mines as though delivery were made in kind during the year 1922. This Government does not deem it to be necessary at this time to enter into questions relating to debits or credits in the account or to consider the effect of the postponement of the debt for the value of the Saar mines, and all questions of this character are fully reserved. It is deemed to be sufficient to say that it is the view of the Government of the United States that the question whether or not there would be a deficit in the French account for army costs as of May 1, 1921, upon a final agreed statement of that account is a matter which does not affect the position of this Government with respect to its right to receive the payment of the actual cost of its army of occupation upon an equal footing with the Allied Powers."

On March 31 the French Foreign Office informed Ambassador Herrick that the French Government had never intended

to contest the right of the United States to complete reimbursement for the cost of its army on the Rhine. The note also expressed the regret of the French Government that the American troops should have been withdrawn from the Rhine\*, and stated that the Allied troops would remain there for no other purpose than to guarantee the execution of the terms of the Peace Treaty.

Official notes from Belgium and Great Britain recognizing the rightfulness of the American claim to reimbursement were made public by the State Department at Washington on April 11.

### ***Substitute for the Supreme Council.***

March 22-26. The Near East Conference of Allied Foreign Ministers met at Paris. France, Great Britain and Italy were represented respectively by Premier Poincare, Marquis Curzon and Senator Schanzer. They united in a proposal of armistice terms between Turks and Greeks, and the proposal was telegraphed to Athens, Angora and Constantinople. The terms of armistice proposed by Marshal Foch were in brief:

Immediate suspension of hostilities; the belligerents to withdraw so as to leave a no man's land six miles wide between the opposing trenches; Allied Commissions to be attached to both sides, who agree to accept the arbitration of these commissions in all matters of dispute that may arise.

The armistice should be for three months and renewable for similar periods while peace negotiations are progressing. Either belligerent is to give fifteen days' notice of his intention to break the truce. Neither side is to receive reinforcements nor strengthen its positions during the armistice.

The Powers agreed that if the belligerents accept the armistice, a commission representing the two parties and the Allied Powers will meet in Constantinople to arrange for Greek evacuation of Asia Minor. Eastern Thrace will remain Turkish. This means the restoration of the Ottoman Empire with the Sultan again in power and the return of Smyrna to Turkish allegiance, but under a special regime with a Christian Governor as before the war. The territory of the

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\*Three thousand soldiers and 203 officers of the American contingent in the Coblenz area were ordered home by the War Department on February 16. On March 20 the withdrawal of all the remaining troops was ordered, the transportation to be completed by July 1. The remainder consisted of 169 officers and 2,217 men.

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Dardanelles is to be demilitarized under international control. Greece is to have the Gallipoli peninsula and Adrianople. The Ottoman debt administration (under foreign control) is to be maintained. The Turks are to be allowed to keep an army of 40,000 regular troops and 45,000 gendarmerie, a force nearly twice as large as that permitted by the Treaty of Sevres, now definitely abandoned. Greeks and Turks have three weeks in which to accept these conditions as a basis for a treaty of peace. The Greeks may expect compensation for their services to the Allies during the war. Senator Schanzer, for Italy, showed anxiety to preserve the special rights in southern Anatolia which had been promised to Italy during the war.

On the 23d it was agreed to invite the League of Nations to collaborate in the protection of minorities in Asia Minor, and it was announced that France and Great Britain had asked that an extraordinary session of the Council of the League should be convened at Paris on the next day. The chief purpose of the meeting was to consider the suggestion of the Great Powers that the technical economic and financial organization and the Secretariat of the League, together with the Labor Bureau, should be invited to attend the Genoa Conference.

The open participation of the League in the Conference was rendered possible when the United States declined to attend. The Near East Conference discussed the question of a home for Turkish Armenians. Poincare proposed to place it in territory contiguous to Russian Armenia (Erivan), while Lord Curzon proposed to put it in Cilicia, near the frontier of French Syria. The conclusion was that these unfortunate Armenians could have a "spiritual home" under the care of the League of Nations.

The Turkish Government at Constantinople accepted the proposed armistice "in principle," making reservations about Thrace. The Greek Government accepted the proposals. The representatives of the Armenians protested against being put under the protection of the League of Nations—in Cilicia or anywhere.

With respect to the Turkish demand for eastern Thrace Lord Curzon, in the House of Lords, on March 30 said that if the Greeks were asked to retire from Thrace "we should be confronted with a direct refusal," and that there was no force in existence which could expel them. These sentences revealed the final policy of Great Britain at that time.

A good description of the work of this Conference of Foreign Ministers is in Current History for May, 1922, pp. 211-215.

### ***Seventeenth Session of the Council of the League of Nations, Paris, March 24-28.***

M. Paul Hymans (Belgium) presided at the Seventeenth Session of the Council, which began on Friday, March 24. The other members present were M. de Castello Branco Clark (Brazil), substitute for Ambassador da Gama at London; M. Wellington Koo (China); Mr. H. A. L. Fisher (British Empire); M. Leon Bourgeois (France); Marquis Imperiali (Italy); Viscount Ishii (Japan); M. Quinones de Leon (Spain).

1. *MANNER OF CALLING SPECIAL MEETINGS OF THE COUNCIL*.--The Italian representative objected to the hurried and peremptory manner of calling this meeting. He had received on the 22nd a telegram from the Secretary-General, saying that the Council would meet on the 24th.

The Council voted that, excepting under conditions specified in the Covenant, the Secretary-General should not convene special meetings of the Council unless authorized to do so by the Acting President, who must have previously consulted his colleagues about it. The Secretary-General should place upon the agenda for such a meeting whatever matters the Council must then consider, and submit the papers to the members at least five days before the meeting.

2. *RELIEF OF RUSSIAN REFUGEES*.--Dr. Nansen submitted a report of his work up to March 15. His first task had been to find productive employment for one and one-half millions of Russians scattered over Western Europe. With the aid of the International Labor Office he had begun to make a census of them, but while engaged in this work, assisted by government agents and a Joint Committee representing 16 societies (including the Near East Relief and the International Committee of the American Y. M. C. A.), he was suddenly called upon to succor 25,000 Russians in Constantinople whose food supplies were cut off. Fifteen thousand of them were in immediate peril of starvation. These 25,000 were military and civilian Russian refugees who had been fed by the French Government and the American Red Cross, both of which agencies gave notice that they had no further resources for the work. The French Government had been helping the refugees

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of Wrangel's army, and agreed to continue to do so until the ex-soldiers could be sent to other countries. (It appeared in the discussion that France had fed the Wrangel refugees, and Great Britain the Denikin refugees.)

Dr. Nansen obtained from international organizations and especially from women's societies in Scandinavian countries money to provide food for a short time, and he negotiated with southern Slavonic countries to receive companies of refugees. But there were difficulties in providing transportation, food in transit, help after reaching a new home, and in complying with passport regulations.

Sir Samuel Hoare, M. P., had visited Constantinople in January and February, had induced the British Government to make a special grant of £20,000 for feeding the refugees there, and had opened a League of Nations office there through which the High Commissioner and the various local committees, especially the Russian ones, could—and did—co-operate.

Czecho-Slovakia, Yugo-Slavia, Bulgaria had all offered to receive refugees, but they could not receive and settle more than a limited number at any one time. They had difficulty in providing housing, and could not be expected to pay for the transportation of these emigrants. There were also many refugees in Rumania and Poland, and there as well as in Constantinople there was constant peril from epidemic diseases. Dr. Nansen asked for £30,000 more to pay the expense of getting these refugees out of Constantinople, and into countries where they might be productively employed. Mr. Fisher said that Great Britain would give as much as £10,000, with the understanding that other Governments would give at least as much more.

On Saturday, March 25, the Council voted that, while its own treasury was unable to provide funds, the reports and recommendations of Dr. Nansen and Sir Samuel Hoare should be sent to the Governments concerned.

The Council noted the offer of Great Britain to give £10,000, and to entrust to Dr. Nansen the evacuation of Russian refugees from Egypt, Cyprus, Malta and Tonzla. In that connection the Council asked the interested Governments to issue for the refugees, free of charge, identity certificates and passport visas, on the request of the High Commissioner's office; to instruct consular representatives to facilitate the transit of refugees, without charges, and to give every possible aid in obtaining trains and food, if possible free of charge, for refugees who were in transit.

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3. *REDUCTION OF ARMAMENTS*—The Council considered the Secretary-General's memorandum on the work of the Temporary Commission in its meeting, February 20-25.

The Council, in conformity with the recommendations of the Commission and of the Second Assembly, requested its Acting President to ask each Government to submit a statement on the requirements of its national security, its international obligations, its geographical situation and any special circumstances; also to indicate separately the amount and cost of police and military forces needed to preserve domestic order.

Taking note of the Esher proposal (for reduction of land forces) in the agenda of the Commission, the Italian and French representatives objected strongly to the suggestion of a scale of units. They contended that such figures might be determined by Governments, each for itself, but were beyond the powers of the Commission.

The British representative thought that the Commission, as a group of independent experts, were at liberty to transmit any scientific plans to the Governments, but that the discussions in the Commission should not be published. The Spanish representative concurred in the view that the Esher proposals should have been regarded as confidential.

The Council voted that the minutes of these comments should be made known to the Commission.

The Council voted to ask the Commission to meet again soon, not waiting until July, so that its definitive report might be laid before the Council before the meeting time of the Third Assembly.

The Council approved the Secretary-General's memorandum concerning Resolutions 5, 7 and 10 of the Armament Reduction report in the Second Assembly (see Second Year Book, pp. 178, 179).

Under Resolution 5 it was agreed that no conference was possible until the Commission had finished its inquiry into private manufacture of arms.

It was voted that the Temporary Commission be authorized to consider the first paragraph of Resolution 7, with the co-operation, if desired, of the Permanent Commission, but that the matter of the second paragraph of Resolution 7 should be first referred to the latter Commission alone.

The Council voted that Resolution 10 was not intended for the Temporary Commission, but for the member States.

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In conformity with the recommendation of the Second Assembly, the Council voted to add seven new members to the Temporary Commission, as follows:

MM. Lebrun (France), Nitti (Italy), Hontoria (Spain), Urrutia (Colombia), Gustave Ador (Switzerland), Prince Sapieha (Poland), and Lord Robert Cecil (Great Britain).

4. *EPIDEMIC DISEASES IN POLAND*—A Health Conference, convened by the Polish Government with the help of the League Council and Health Organization, now sitting in Warsaw, reported so serious a revival of diseases on the eastern frontiers of Poland and Ukraine, due to famine and migration, that the Polish Prime Minister appealed to the Council for aid in connection with the deliberations of the coming Genoa Conference, suggesting that the technical Health Organizations of the League should also meet at Genoa. The Council authorized President Hymans to lay the report of the Health Conference before the President of the Genoa Conference.

5. *INQUIRY INTO RUSSIAN FAMINE*—The Norwegian Minister of Foreign Affairs having requested the Council to authorize an inquiry into the Russian famine, and having based its request upon memoranda not yet received by the Council, the Council, on the point of adjournment, authorized the reply that it would give the matter serious consideration when the documents should appear.

6. *AN ELECTED COUNCIL FOR THE SAAR VALLEY*—The Council approved the action of the Saar Valley Governing Commission in decreeing on March 24, 1922, the constitution of an Advisory Council and Technical Committee for the Saar Valley. This decree in 17 articles declares that within three months the Governing Commission shall have the aid of an elected Council, empowered to give advice under paragraphs 23 and 26 of Chapter 2 of the Annex to Section 4, Part 3, of the Treaty of Versailles; and the aid of an appointed Technical Committee, to be consulted at the pleasure of the Governing Commission. The Advisory Council is to have 30 members, elected by universal suffrage and according to proportional representation. The budget for each financial period is to be submitted to the Council, but the Council does not vote the budget. The Council has no power to change in any way the legal situation created by the Peace Treaties and the

decrees of the Governing Commission. The Council is not a parliament, but has only advisory powers.

The Technical Committee will have at least eight members, natives of the Saar Valley, annually appointed by the Governing Commission

Annual compensation is to be paid to the members of the Advisory Council and to its chairman, who is to be named by the Governing Commission from among native residents of the Saar Basin, at least 25 years old. Members of the Council must be natives aged at least 25 and not holding public office outside the district, but voters need be but 20 years old and residents. The Councilors are to be elected for three years, but the terms of the members of the first Council are to expire October 1, 1923. The Chairman of the Governing Commission is to call the Council into session every three months and submit an order of business to it. The last article provides that from the day of the election of the new Council the old local legislative bodies in the Basin will have nothing to say about changes in the laws and the levying of new taxes, but must confine their activities to carrying out the old Prussian laws still existing

On motion of Mr. Wellington Koo, the Council voted, in order to give greater stability to the work of the Governing Commission, that its present members should be assured of being annually re-elected to their present offices, "unless exceptional circumstances arise," until January, 1925.

The Council appointed Mr. Wellington Koo to devise measures for preparation of lists of persons who will have the right to vote in the Saar Valley plebiscite of 1935, in accordance with paragraph 34 of the Annex to Article 50 of the Treaty of Versailles.

8. *GERMAN MINORITIES IN POLAND*—In January, on request of the Council, the Polish Government had agreed to suspend the expulsion of certain Germans from their farms in Poland until some time after May 1. The Council now voted to ask the Polish Government to postpone such measures until after October 1. Prof. Askenazy for Poland said that his Government would doubtless endeavor to conform to this suggestion as far as possible.

9. *THE LEAGUE AT THE GENOA CONFERENCE*—The Italian Government, apparently with the approval of M. Poincaré, formally asked the Council to send to Genoa its technical experts on transit, economic and financial questions. The



underlying idea seemed to be that these technical organizations of the League would be charged with the duty of carrying on the work mapped out at Genoa. Various national unions for the League of Nations had already strongly recommended such a devolution. Premier Lloyd George was reported, however, to be opposed to such action. It is said that Italian Foreign Minister Schanzer and Mr. H. A. L. Fisher both hurried to London on the 27th of March to argue the point with the British Premier, and received only an emphatic negative. The result was that the Council could not accept the Italian invitation. Instead, it adopted a colorless resolution, authorizing the Secretary-General to provide technical assistance for the Genoa Conference, if requested, and if not inconsistent with the needs of his own work.

The French representative recorded a declaration in the name of his Government that the League of Nations, so far as its powers permit, should be entrusted with the application and execution of the recommendations to be made by the Genoa Conference.

The Council voted to meet at Geneva on either May 10 or 12.

### ***Reparations.***

March 22. The Reparations Commission answered today German Chancellor Wirth's letter of January 28, in which he had asked that Germany be not asked to make cash payments during 1922. He had also requested help in securing a loan from the projected International Corporation, and proposed that sums paid toward occupation army costs should be credited to reparations for 1922. He outlined increases in German taxation, and proposals for new domestic loans.

The Commission stated conditions under which a reduction in reparations for 1922 would be made and a delay until May 31 granted.

The plan, as summarized in the Associated Press report, carries with it a specific obligation on the part of Germany to raise 60,000,000,000 marks, paper, in additional taxes; to float an internal loan of 1,000,000,000 gold marks or make a levy on capital to balance her budget, including reparations; to stop the exportation of capital and make the Reichsbank independent; reduce expenses; to submit to a system of supervision

through obligatory consultations with a commission on guarantees.

The moratorium is conditional on the fulfilment of the conditions of the Commission by May 31 and may be revoked later if Germany does not continue to comply with them. The Commission calls for the execution of the Cannes Agreement providing for the payment of 720,000,000 gold marks and of 1,450,000,000 gold marks in goods during 1922. As Germany has paid about 282,000,000 gold marks in ten payments, there remains a balance of 438,000,000 marks due.

The balance is payable 18,000,000 marks on April 15, 50,000,000 marks monthly from May to October 15, inclusive, and 60,000,000 marks each November 15 and December 15.

The goods reparations are payable 950,000,000 marks to France and 500,000,000 to the other Allies as far as they place orders. The British will receive 26 percent of the import tax. German goods and other similar funds are to be credited against the merchandise account, but if Germany fails to deliver the goods ordered she must pay the balance in cash.

Merchandise delivered to the Armies of Occupation is to be credited only to army costs. All deferred payments on army cost reparations are to bear 5 percent interest.

The financial measures outlined by Chancellor Wirth January 28 must be put into effect within 15 days. Before May 31 new taxes must be imposed to secure the 60,000,000,000 paper marks. The foreign loan suggestion will be dealt with later. Within a month the German Government must submit to the Reparations Commission a list of economies, to include reduction of cost of public services, suppression of subventions and subsidies, and diminution of expenditures on public works.

The Commission demanded that German citizens who, since the Armistice, had deposited bonds and other securities in foreign countries for safekeeping should be compelled to bring these resources home and keep them there.

### ***Recalcitrant Poland.***

March 26. Poland declined the Lithuanian proposal to submit the Vilna dispute to the Permanent Court, and pointed to the unanimous vote in the Vilna Diet on February 20 for incorporation with Poland. This vote included resolutions rejecting any Lithuanian claims under the Soviet-Lithuanian

Treaty of July, 1920, and asserting that decisions about the Vilna territory must be invalid unless approved by the Vilna Diet. Inasmuch as Lithuanian and White Russians had abstained from the elections of January 8 when this Diet was chosen, the Lithuanian Government refused to recognize this Vilna Diet or any of its acts. The Polish Government dared not proceed with the open annexation of Vilna, on account of warnings received from abroad, especially from Great Britain.

### ***Pan-European Anti-Epidemic Conference.***

With the approval of the League Council and with the help of the League Secretariat and Health Organization this Conference, convened by the Polish Government, sat at Warsaw from March 20 to March 28. Twenty-seven States were represented, including Russia, Ukraine, Germany, Hungary and Turkey. Albania, Greece, Luxemburg and Portugal were the only European States not present. German was used as a third official language.

The League Epidemic Commission, together with the health officials of the Polish Government, had been laboring bravely and with much success to filter the streams of emigrants through quarantine stations on the western frontiers of Russia. The sudden increase of epidemic diseases caused by the famine in the Volga valley and in Ukraine strained the resources of the Epidemic Commission and the Polish health authorities. This Conference was then called to plan an anti-epidemic campaign on a larger scale.

The Conference prepared:

- a. A general report giving testimony as to facts in Russia and Ukraine by expert observers on the spot;
- b. A plan of campaign against disease, with an estimated expenditure of £1,500,000. This campaign, offensive rather than merely defensive in character, should be entrusted to the League Health Organization. The Russian and Ukrainian delegates preferred a special international commission.
- c. A model draft—sanitary—convention to be submitted to central and east European States. Such a convention is already under way between Russia and Poland.

The Conference agreed that disputes arising under such conventions should be referred to the mediation of the Health Section of the League\*.

The Conference telegraphed to the Council of the League asking that the report and recommendations of the Conference be laid before the Genoa Conference.

### ***International Hydrographic Bureau***

In the March Bulletin of the League it was announced that the United States Government had signified its adhesion to this Bureau, which was taken under the direction of the League of Nations at the fourteenth session of the Council in October, 1921. This is the first public international bureau to enter the League, and the first organization under the League to welcome the United States to full membership.

The Bureau is lodged at Monaco. Its first annual report was summarized in the Official Journal of the League for April, 1922.

### ***Establishment of Friendly Relations Between Jugo-Slavia and Albania***

On March 27 the Yugo-Slav Minister to Switzerland notified the Secretary-General of the League that the Yugo-Slav Government had recognized *de jure* the Government of Albania and had appointed a diplomatic representative to Albania. This action followed the departure of the League Commission of Inquiry from Albania. The members reached Geneva on March 19.

### ***Reparations.***

March 28. Chancellor Wirth, speaking in the Reichstag, served notice on the Allies and the Reparations Commission that the German Government would not accept the terms imposed by the Commission on the 22d; that it would not levy a new tax of 60,000,000,000 marks and would not admit "the principle of outside interference in the sovereign rights and lawmaking powers of the German nation."

The Reichstag, on March 30, by a vote of 248 to 81, sustained Chancellor Wirth in his refusal and in the similar atti-

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\*This section publishes periodical bulletins or reports on the health conditions in Eastern Europe.

tude to be maintained at Genoa by the head of the German delegation Dr. Walter Rathenau, Finance Minister.

#### ***Russo-Baltic Conference.***

March 29. The Russian delegates to Genoa, headed by Foreign Minister Chicherin, reached Riga and met in conference the representatives of Poland, Latvia and Estonia. Finland sent an unofficial observer. Lithuania sent no delegate because of its difficulties with Poland. The purpose of the conference was to secure unity of action by these States at Genoa, and an agreement was reached within twenty-four hours. The four States signed an agreement:

- a. To support a *de jure* recognition of the Soviet Government in Russia;
- b. To stand together at Genoa in the effort to secure foreign credits for reviving economic life in the four States;
- c. To favor limitation of armaments;
- d. To create semi-neutral zones along their frontiers wherein only police protection will be maintained;
- e. To settle disputes among themselves by pacific means.

The text of the agreement, translated from the French press of April 3 and 8, is in the New York Nation of May 10, 1922, p. 577.

#### ***Commission on Communications and Transit.***

This Commission was in session at Geneva from March 29 to April 1.

The Commission voted:

- a. To ask Governments whether they intend to introduce and maintain "Summer Time," and whether they are ready for an international agreement on the beginning and ending of Summer Time in each year;
- b. To publish information about facilities for travel for blind persons (referring especially but not exclusively to blinded soldiers; see Official Journal for June, 1922, Part I, pp. 492-495);
- c. To move for the eventual restoration of sleeping car service between Vienna and Berlin;
- d. To move for uniformity in private commercial law concerning tonnage measurement all over the continent of Europe and for ocean-going ships also;

- e. To direct the various River Commissions in Europe toward a complete unification of private law applicable to inland navigation;
- f. To hasten the signature and ratification of the Barcelona Conventions;
- g. To carry forward the good work of the Passport Conference (Paris, October, 1920) by securing co-ordination in shortening delays at frontier stations.

### ***Reparations***

March 29. The Reparations Commission voted to create a Committee of Bankers to draft a plan for a loan to Germany to be used in reparation payments. Such an external loan Chancellor Wirth had declared to be indispensable to German rehabilitation. France, Great Britain, Italy and Japan will name members of the committee. Holland, Germany, Switzerland and the United States will be invited to name members. Nevertheless the Committee is a private—not an official—Committee. It is to ascertain where and under what conditions and guarantees one or more big loans to Germany can be procured during the next two years. It is to consider what security is available and the extent to which revenues can be utilized as security. On this day also the House of Representatives at Washington approved a bill which had previously passed the Senate, March 15, authorizing our Government to join with other nations, creditors of Austria, in granting to that State a moratorium against payment of debts. This means that the United States would give Austria 25 years in which to pay a debt of \$25,000,000 for flour purchased through the United States Grain Corporation on September 4, 1920. For other claims, see Current History for December, 1921, page 507.

On the following day, March 30, delegates from Brazil, Czecho-Slovakia, Greece, Poland, Portugal, Rumania, the United States and other countries not represented in the recent Near East Conference of Foreign Ministers met in Paris under the presidency of Roland W. Boyden, unofficial representative of the United States on the Reparations Commission.

It was decided that the percentages of reparations reverting to these countries from German payments should be fixed as soon as possible, and that the Reparations Commission should be asked to determine in what manner these countries

might agree with Germany for payments in kind, like those outlined in the Wiesbaden Agreement of 1921 between France and Germany.

On the 31st, the Commission approved the Wiesbaden Agreement, making reservations concerning the rights of Powers not represented on the Commission.

### ***Bulgarian Reparations.***

Early in February Bulgaria had asked the Reparations Commission to allow it to postpone reparations payments for three years. The gist of the Commission's reply was made public at Sofia on April 4.

The Commission indicated its readiness to grant a partial moratorium provided the following conditions were met:

1. Bulgaria must pay 10,000,000 gold francs in 1922, and 30,000,000 gold francs in 1923.
2. The State budget must be balanced.
3. Paper money issues are to be restricted and regulated.
4. These conditions must be accepted by April 30.

The Bulgarian Government asked permission to defer its reply until after the Genoa Conference.

### ***Interest Payments on War Debts***

On April 5 the British Government notified the Allied Governments that the three years' moratorium on war debts was about to expire, that Great Britain must pay interest on her debt to the United States, and that interest on the debts of the Allies to Great Britain would be due. The three years' moratorium between Great Britain and the United States ended on April 15. Deferred interest payments due to the United States were then \$615,000,000. In the Fall of 1922 Great Britain will owe the United States a semi-annual interest payment of \$125,000,000 on a \$5,000,000,000 obligation.

About half of what Great Britain borrowed from the United States was loaned by Great Britain to France, and France obtained a larger amount directly from the United States.

The amounts owed to the United States by foreign Governments totaled in March, according to a statement made by the National Bank of Commerce, \$11,329,000,000. Great Britain

owed \$4 675,000,000; France, \$3,717,000,000; Italy, \$1,850,000,000; Belgium, \$420,000,000, and all others \$667,000,000, including Russia with \$212,000,000.

The Federal Reserve bulletin recently estimated the amounts due to Great Britain from her allies and dominions. Reckoning the pound at \$4, the amounts were: France, \$2,228,000,000; Italy, \$1,907,200,000; Belgium, \$412,000,000; Russia, \$2,240,000,000; Serbia, \$88,000,000; all other Allies, \$331,000,000; the Dominions, \$576,000,000; total, \$7,790,400,000.

### ***The Governing Body***

The Governing Body of the Labor Office held its Twelfth Session at Rome, April 4-7. The Governing Body named three of its members to meet three persons named by the International Institute of Agriculture, and thus constitute a provisional Advisory Agricultural Committee.

The Governing Body voted that their delegates at the Genoa Conference should render opinions in the name of the Labor Office only when the delegation was unanimous. It favored an increase in its own numbers from 24 to 32, a proposal to be submitted to the Fourth Conference, and voted to recommend that any person named to serve on the Governing Body must come from a State which has paid its contribution for the preceding year.

### ***Turks vs. Greeks—Kemalists Make Conditions About an Armistice.***

April 5. The Angora Government today informed the Allied representatives at Constantinople that it would accept the Armistice proposed by the Allies on condition that the Greeks evacuate their main line of defense (Eski-Shehr-Aflum-Kara-Hissar) within a fortnight, and all the rest of Anatolia, including Smyrna, within four months, and that the evacuation should proceed under the supervision of Allied officers. If these conditions were accepted, the Nationalists were ready to meet the Greeks and Allies within three weeks for the negotiation of a peace treaty.

This answer made it reasonably certain that the Greeks would refuse to accept, for these conditions were such as a conqueror would impose upon a defeated foe, and the Greeks felt that they were far from being defeated. These conditions



also would anticipate much of what should be a subject of negotiation for a treaty.

On April 8 it was announced that the Allied Powers would require the Turks to accept in principle the terms proposed by the Conference of Foreign Ministers, and would not require a preliminary Greek evacuation of Smyrna. On April 11 the Greeks formally refused to evacuate their lines, and on the next day the Allies virtually approved the refusal.

### ***Socialists Reuniting***

April 6. A Council of the Executives of the Second, the Two-and-a-half, and the Third Internationals at Berlin on April 4-6 ended with an agreement to create a Joint Committee of nine, three from each International, which should be a permanent and visible sign of union.

The success of this step was due chiefly to a change in the spirit of the Third International (Moscow). For the first time its cry was "Unite." Thus was closed for the first time the breach in International Socialism made by the war, and the policy of the Russian Soviet leaders. The program on which this reunion begins included these five points:

1. An eight-hour day.
2. Combating unemployment, which has been aggravated immeasurably by the reparations policy of capitalistic Powers.
3. United action of the proletariat against the capitalistic offensive.
4. Political and economic relations of all nations with Soviet Russia.
5. Formation of a proletarian united front in every country and in every International.

### ***The Empire of Oil***

April 7. It was announced at the State Department in Washington that the British Government had assured to the Standard Oil rights of exploration in Palestine oil fields. This permission comes from Great Britain as the mandatory for Palestine, and it was thought at Washington that the decision would have a direct bearing on the unsettled controversy between Secretaries Colby and Hughes and Lord Curzon over the rights of Americans in the Mesopotamian oil fields.

### ***Lloyd-George and Poincare Renew Their Boulogne Pledges About the Genoa Conference.***

April 7. Lloyd George and Poincare met in Paris, as the British delegation to the Genoa Conference halted for an hour. Once more they agreed that reparations should not be discussed at Genoa, that disarmament should not be discussed there, so far as France is concerned, and that recognition of Soviet Russia should depend upon the Russian willingness to recognize the pre-war debt of Russia to France.

Lloyd George having expressed a regret that M. Poincare was not going to Genoa, and that the French delegation would be the only one without plenipotentiary powers, M. Poincare replied that neither M. Louis Barthou, who would head the French group, nor himself if he were to be present, would sign agreements without referring them to the President and the Legislature.

Meanwhile at Berlin Dr. Walter Rathenau, chief of the German delegation in the absence of Chancellor Wirth, was saying that Genoa would demonstrate the impossibility of world-reconstruction unless the reparations problem is solved and unless the United States helps.

### ***The Pope's Letter About the Genoa Conference***

On April 7 Pope Pius XI addressed to the Archbishop of Genoa the following letter:

"It is with keen pleasure that we read the letter you opportunely addressed to your people on the occasion of the international conference which for the first time in this glorious city reunites in peaceful discussion victors and vanquished and toward which turn all the general hopes of the peoples.

"As the representative of the God of peace and love, who with special providence '*respicit super egenum et pauperum*,' and who by a decision not to be questioned called us so suddenly to continue with the succession to the supreme pontificate the mission of well-doing and peace of our regretted predecessor, we hope and we trust that the representatives of the Powers will be willing to consider with a spirit not only serene but also disposed to some sacrifice on the altar of the common good the sad circumstances under which all people suffer, which would be the first condition to bring thereto an efficacious remedy and the first step toward that universal pacification for which the whole world is longing so ardently.

"If even amid the shock of arms, as says the noble motto of the Red Cross, *inter arma caritas*, Christian charity should reign, that should be still more true after arms laid aside and treaties of peace signed, and so much the more because international hatreds, the bad inheritance of war, act also to prejudice victorious peoples and prepare an unhappy future for the whole world.

"It should not be forgotten that the best guarantee of tranquillity is not a forest of bayonets but mutual confidence and friendship. Equally if it is wished to exclude from the conference all discussion not only about treaties formerly concluded but also about the reparations imposed, that should not prevent subsequent exchanges of views which might facilitate to the vanquished the rapid accomplishment of their engagements, which finally would also result to the benefit of the victors.

"Animated with the sentiment of equal love to all peoples which is inspired in us by the mission intrusted to us by the Divine Redeemer we extend to all the faithful the invitation which you, venerable brother, have addressed to your people, and we beg them to join their prayers to ours for the happy issue of the conference.

"May the blessing of the Lord be sent upon it and may the result of its decisions, which we are confident will be reached in a sentiment of love, pour forth upon poor humanity that concord so desired which by making the peoples more friendly may lead them afresh after eight years of sorrow and ruin upon the shining path of work, progress and civilization, and may thus the ideal of the Church be realized."

So sensitive was French feeling that French journalists found in the reference to "a forest of bayonets" a condemnation of the French policy about armament!

### ***Conference of Austrian Succession States.***

April 8. On Saturday, April 8, at Rome, ended a conference of representatives of States formed out of the former monarchy of Austria-Hungary. Forty international conventions were drawn up by this conference, dealing with national debts, pensions, settlement of accounts between citizens of the various States, and regulation of banking problems.

## CHAPTER III.

### THE GENOA CONFERENCE.

The first Congress of European nations since 1914 in which Germany and Russia were present as equals began on Monday, April 10, in the palace of the Company of St. George at Genoa.

The members of the Conference, with the numbers in their delegations, the members of the British Empire being listed separately, were as follows:

South Africa, four; Albania, four; Austria, six; Australia, fourteen; Belgium, fourteen; Bulgaria, fifteen; Canada, two; Czechoslovakia, thirty; Denmark, ten; Estonia, twenty-five; Finland, seven; France, eighty; Germany, eighty; Great Britain, one hundred twenty-eight; Greece, twenty-two; Ireland, six; Italy, six; Japan, four; Latvia, six; Lithuania, seven; Luxemburg, four; Norway, eight; New Zealand, sixteen; Holland, sixteen; Poland, forty; Portugal, nine; Rumania, twenty-two; Russia, twelve; Yugo-Slavia, twelve; San Marino, six; Spain, sixteen; Sweden, ten; Switzerland, eight, and Hungary, seven.

Richard Washburn Child, United States Ambassador to Italy, was present as an unofficial observer.

The Conference was opened by Prime Minister Facta of Italy, who was chosen to be permanent chairman. Mr. Lloyd George next spoke. He outlined the conditions imposed upon the Conference in the Cannes Agreement as follows:

"First, when a country enters into contractual relations with another country or its nationals for value received, that contract cannot be repudiated whenever a country exchanges governments unless the value received is returned. Second, no country can wage war on the institutions of another. Third, one nation shall not engage in offensive operations against the territory of another. Fourth, the nationals of one country shall be entitled to impartial justice in any other country.

\* \* \*

"What is the first need of Europe? Peace—real peace. We propose to study currency. Good! We propose to study transports. Good! But unless peace is established all that will amount to nothing.

"There is no real peace in Europe. Fighting has ceased, but snarling goes on, and as there are many dogs in every country who imagine that the louder they bark and the longer

they bark the deeper impression they make of their ferocity, Europe is deafened with this canine clamor.

"It is undignified, it is distracting, it destroys confidence. It wrecks the nerves of a nerve-racked continent, and we shall make a real contribution to the restoration of Europe if at this Conference we can stop that snarling. \* \* \*

"The world is one unit. It is not even two hemispheres. It is one round, unbroken sphere. For that reason I regret that the great American Republic is not represented here. However, much that has happened and much that is now happening in Europe makes Americans cautious of mixing in our affairs. But if we can set things right at this Conference I feel sure that America will not only come in, but come in gladly.

"A distinguished citizen of this city once upon a time discovered America and I am hopeful that Genoa will render another immortal service to humanity by enabling America to discover Europe."

The heads of the other delegations spoke. When Chicherin's turn came he predicted that this would be the first of a series leading up to a universal conference.

Russia wanted loans, would grant many concessions and her offers would reopen Siberia to the world. Then he interjected that Russia would reduce its army if other nations would reduce theirs and promise not to interfere in Russia. He doubtless intended this as a provocation to France and he was not disappointed. M. Barthou immediately stood up to say that if Chicherin or anybody else proposed to discuss disarmament at Genoa France would interpose "a definite, categorical, decisive, final No!" He quoted the agreement at Cannes and Boulogne to bar such discussion.

Chicherin rose.

"Of course we folks in Moscow did not know what you agreed to at Boulogne," he said. "You did not tell us. But we did know that at Washington M. Briand told Mr. Hughes that France could not cut down her army because Russia had a big one. We thought that if we offered to disarm then France could do so, and we would be helping all round. We are very sorry if we were wrong, and since we have been invited to confer, of course we will abide by the rules."

Mr. Lloyd George quickly intervened to save the situation. He bowed to M. Chicherin and bowed to M. Barthou.

"Nothing is quite so explosive as a peace conference," he

said. "We have been trying assiduously, some of us for three years, to get a conference of all Europe with the Russians in it. Every time I have failed because some of the subjects wounded the sensibilities of certain nations. Now at last we are here, all together. Don't let's break it up yet.

"As for the extra subjects M. Chicherin wanted to bring in, I ask him not to insist. He will find enough to do here. As for other conferences, I did say something about them, but then, there is the League of Nations. As for a universal conference, including everybody, to talk about everything—well, I am getting old. I don't believe I could last through a universal conference. I am sure M. Chicherin will not insist."

Turning to the delegates, the British Prime Minister exclaimed, "If M. Chicherin removes the load-line of our conference ship he will sink it, and I would point out that he might be among the drowned. We may have a rough time ahead, and we don't want to be overloaded."

The matters on the agenda, continued Mr. Lloyd George, were enormously important, and it would be criminal to destroy the hope of millions of people by endeavoring to solve more problems than could possibly be managed.

"Let M. Chicherin finish this voyage," he advised, "and go home with all he can carry; then we will welcome him on another voyage when we know what sort of a passenger he is."

M. Barthou was still perturbed and wanted all the delegations polled to see if they accept the Cannes resolution. "If not, we cannot continue the discussion."

Chairman Facta ruled that the presence of the delegations at Genoa was evidence that they had accepted the Cannes agreement, and M. Barthou reluctantly accepted the ruling.

### ***Reparations.***

On the day of the opening of the Genoa Conference the Reparations Commission received from the German Government an official refusal to accept the Commission's terms of March 22. Germany could not consent to "any form of supervision incompatible with Germany's financial independence." The demand that Germany create new taxes amounting to 60,000,000,000 marks is in contradiction to statements of the Allies in the note of June 16, 1919, and is "physically impossible of execution."

After reviewing the budgetary difficulties due to the fall of exchange and the high cost of living, especially of imported foodstuffs, the German Government expressed the opinion that the currency to make reparations payments can be procured only by a foreign loan. Such a loan could not succeed unless the lenders were assured "that the loan would serve not only to cover the number of annual payments, but all the currency obligations arising from the Treaty of Versailles."

The Government requested the Commission, in accordance with Article 239 of the Treaty, to have the conditions of living and taxation in Germany examined by "experts not belonging exclusively to States concerned"

This note caused in France a renewal of talk about military occupation of the Ruhr Valley and other German territory.

On April 12 the Reparations Commission met and voted to inform the German Government that compliance with the Commission's requirements would be expected on or before May 31. Meanwhile payments from Germany will be due, 18,000,000 gold marks on April 15 and 30,000,000 on May 15.

An excellent review of the reparations controversy from November, 1921, to April 12, 1922, is in *Current History* for May, 1922, pp. 203-210.

### *The Genoa Conference*

Second Day, April 11. The Conference resolved itself into four committees, one on Finance, one on Economics and Commerce, one on Transport, and the most important of all, called Committee No. 1, on the first three of the resolutions at Cannes, i. e., on peace guarantees and Russia.

It was agreed that this committee should delegate its powers to a sub-committee of eleven members, one from each of the Supreme Council States, one each from Germany and Russia, and one each from Poland, Rumania, Sweden and Switzerland. The French and Belgians opposed the admission of Germany and Russia to this Sub-Committee, the Belgian Premier declaring that the Germans were unworthy to share in the work of so important a committee in association with representatives of honorable countries.

Lloyd George said that the principal object of the Conference was to restore Germany and Russia to the European family, and that the Conference might as well go home if such an irreconcilable spirit were to prevail. Then Chicherin said that Japan, whose troops were occupying a part of

Siberia, "the Far East Ally of Russia," ought not to be in a Committee to determine economic relations between Russia and other countries. Viscount Ishii intimated Japan's intention to participate in the conference without regard to Chicherin's likes and dislikes. Chairman Facta reminded Chicherin that Japan was one of the inviting Powers, and that Russia had accepted the invitation.

Chicherin then protested against the nomination of Rumania as a member of the Sub-Committee, on the ground that Rumania was occupying Bessarabia, which was part of Russia. The Rumanian spokesman retorted that the Allies had given Bessarabia to Rumania and that it belonged to the Rumans anyway. Chairman Facta stopped the discussion.

Chicherin demanded that Russia, as it was the principal subject with which the Sub-Committee must deal, should have two members on the Sub-Committee. M. Barthou objected that Russia should not have twice as many members as any one else, and Lloyd George said that Chicherin could bring experts with him if he needed help, but they could not be members of the Sub-Committee.

Committee No. 1, having finally elected its Sub-Committee of Eleven, the Hungarian delegates tried to have a question of the protection of minorities referred to the latter. Chairman Facta ruled that the introduction of such problems must be considered elsewhere, and called attention to the fact that the League of Nations was at work upon this question.

A voluminous report on the reconstruction of Russia and also of Europe in general was placed in the hands of the Sub-Committee. The report drawn up by experts of the Allied Powers, meeting in London, was summarized in the Associated Press report of April 11 as follows:

Under Chapter 1, headed "Liquidation of the Past," Article 1 declares that the Soviet Government should accept the financial obligations of its predecessors, namely, the Imperial Government and the Provisional Government. This includes obligations to foreign powers and their nationals.

Article 2 provides for recognition by the Soviet Government of the financial engagements of all Russian authorities, provincial or local, and also all public utility enterprises contracted with other powers or their peoples.

Article 3 declares that the Soviet Government should assume responsibility for all material damage suffered by



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foreigners in consequence of the acts or negligence of the Soviet or its predecessors.

Article 4 says that the responsibilities mentioned in the preceding articles will be fixed by the Commission on the Russian Debt and by mixed arbitration tribunals to be created.

Article 5 provides that all debts, responsibilities and obligations between foreign Governments and the Russian Government since Aug. 1, 1914, shall be considered as entirely effaced by the payment of sums to be fixed in a future accord.

The report presents three annexes and explains that concerning guarantees on which Russia's debt will be treated two different solutions were brought forward by the powers represented at the London conference, and that no agreement was reached. These solutions are printed in parallel columns when differences occur.

Annex 1 explains the duties of the Commission on the Russian Debt. These include the fixing of a constitution and the procedure of the mixed tribunals, also the delivery of new Russian obligations or bonds by virtue of the decisions of the mixed tribunals.

The succeeding annexes establish a system for determining Russia's debt and the proper steps for preserving the rights of the holders of Russian bonds or other obligations legally entered into by Russia.

Very large powers are accorded to the Debt Commission, which will be composed of members to be named by the Russian Government and others appointed by the other powers, with an independent President, who will be chosen from the powers or designated by the League of Nations.

After elaborating the technical details relative to the future handling of the Russian debt, the report declares that the Soviet Government should promise various reforms in the administration of justice, including independence of the judiciary and free access to the courts by foreigners, who should be treated on a basis of equality with Russians.

Further recommendations stipulate that the Soviet permit foreigners to enter and leave Russia in conformity with international practice. Foreigners resident in Russia should be exempt from all obligatory military service, have liberty to communicate through the post, telegraph and wireless systems, and use telegraphic code and have every pro-

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tection and the right to conduct commerce or professions without discrimination or restriction on account of their nationality. No discrimination should be shown in the case of workmen employed by foreigners regarding military service or enforced labor.

Additional rights of foreigners in Russia are suggested on the same basis as in other countries

The second part of the report is devoted to the restoration of Europe. Resolutions are grouped under the headings of finance, economics and transport. The report declares that an essential condition of economic reconstruction is that each country shall stabilize the value of its money, saying, "No country can be master of its own money so long as its budget shows an annual deficit which it tries to meet by the issue of paper currency or by opening bank credits. Each country must try by independent effort to remove the deficit."

The report then proceeds to discuss measures for reform in exchange, credits, tariff restrictions and prohibitions respecting importations and exportations. A special section is devoted to the subject of transport. It declares that the administration of international transport must not be determined by political considerations, but by commercial and technical reasons, as emphasized by the Convention of Barcelona in 1921, dealing with the liberty of transit.

"It is desirable," says the report, "that representatives of the railroads of the different countries should hold a conference to determine what measures are necessary for the restoration of international traffic conditions, which should be equally efficient as during the pre-war period."

This clearly implies that the restoration of the Trans-Siberian Railway is desirable. This railway has been closed to world communication since the Russian revolution.

Referring to the reconstitution of Russia, the report especially emphasizes that effective collaboration of Russia and other nations will be difficult unless Russia wholeheartedly labors to restore her economic life, the basis of which is agriculture. Security regarding property rights is a necessary condition for the rebirth of Russia, the report continues, and when this comes foreign assistance will be available immediately. In her industrial life Russia cannot expect foreign help until foreigners are able to count upon the good will and collaboration of the Russian Government.

The brief clash between Russia and France on the opening day about disarmament resulted in the issuance of statements by the heads of the two delegations on the next day. Both were appealing to public opinion. M. Barthou gave to the Associated Press an interview in which he declared that France would not discuss disarmament "at a conference where neutral countries, and especially her former enemies, will act as arbiters."

"If France discusses disarmament," he asserted, "it will be with her Allies and friends."

The correspondent asked M. Barthou for a statement of France's position, to which he replied:

"Let us have no misunderstanding about France's attitude. It was voiced clearly by me at the outset of the conference, and I hope our American friends will not misinterpret France's position. France cannot discuss disarmament at Genoa because it occupies no place on the agenda.

"The agenda of the conference was definitely fixed at Cannes, which likewise excluded questions like treaties and reparations. It would be pure madness to deduce that France is militaristic, as some of her enemies allege, for if any country has learned the horror of war it is France, which suffered from the war more than any other nation and which now finds her land impoverished and the flower of her intellectual manhood removed. She is burdened by taxes higher than any victorious nation has ever borne in history."

M. Barthou said the Washington Conference had limitation of armaments definitely on its agenda and that France had explained her position there relative to land armaments.

"It is true," he continued, "that some Americans find difficulty in comprehending France's position on armaments. Yet it all seems so perfectly clear to us. Recently we reduced our military service to eighteen months, and we hope to reduce it still further. God knows we should like to reduce it now to one year or less, but the Government of France must think of the vital interests of France, or it would be disloyal to the republic.

"The United States helped us splendidly before she formally entered the war. Then her gallant troops fought heroically alongside the soldiers of France—and then America left us. We must go on alone. We must protect ourselves

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in order to obtain fulfillment of the Treaty of Versailles, so vital to our existence, and we must protect ourselves against the Germany of the future, which already dreams of vengeance.

"As Mr. Lloyd George has said, the question of disarmament is already before the League of Nations. At the outset of the Genoa Conference he vigorously stated the standpoint of France. It should not be deduced from his statement that France is opposed to disarmament, which she desires more than any nation in the world. Our present business is to reorganize Europe, establish bases for a durable peace and reconstruct Russia.

"If the Russian delegates accept the conditions absolutely necessary for the future safety and prosperity of Europe, then there naturally comes at the end of the conference the question of granting the Russian Government *de jure* recognition. For the present our army is at the minimum compatible with the interests of France and the interests of all Europe. When the proper time comes France will be the first to extend still further the recent reduction in her military force.

"Such is France's position, imposed by relentless necessity and justified by reason and logic. And I believe the American people will understand that position."

M. Chicherin issued a statement declaring it was useless to discuss the reconstruction of Europe without also discussing disarmament. Amelioration of present conditions was impossible while the "imperialistic countries" continued vast expenditures for the maintenance of large armies.

April 14 In the Finance Committee, the subject of reparations gained admission to the discussion. In discussing the balancing of budgets it was conceded, even by the French delegates, that the study of the German budget must include the item of Germany's "eternal debt." The Germans, however, agreed not to bring forward the question of the amount of their reparations dues.

### ***International Radio Conference.***

During the week beginning April 10, American, British, French and German radio experts met in Paris to discuss the ways and means and problems of a world-wide standardization of wireless traffic. The Conference adjourned to meet

again at London on April 24. Reports were presented on the standardization of technical apparatus, the conservation of wave lengths and the joint control of stations by the four nations represented.

### ***Japanese Withdrawal from Shantung***

On April 14 it was announced that the Japanese Cabinet Council had decided on April 13 that the last of the troops along the Shantung Railway should all be returned to Japan in May. The garrison at Tsing-tao will remain there until the leased territory is formally surrendered to the Chinese authorities.

### ***Convention on Traffic in Women and Children***

On April 15 the League of Nations announced that it had received from the Government of the United States a letter, written March 8, expressing sympathy with the purposes of the Convention of 1919 against the traffic in women and children, but declining to adhere to that convention because it contains projects which must belong to the police powers of the various States in the Union, and not to the Federal Government. For the same reason the United States did not become a signatory of the similar Convention of 1910.

### ***The Genoa Conference***

On Friday and Saturday, April 14 and 15, the heads of the Supreme Council delegations and Chicherin held private Conferences in Mr. Lloyd George's villa at Quarto. The chief subject of discussion there and also in the Finance Committee was the Russian claims and counter-claims. At the first session of the Finance Committee the Chairman, Sir Robert Horne, had told the Russians the Allied experts estimated 6,000,000,000 gold francs as the value of foreign-owned property in Russia destroyed or seized by the Bolsheviks. He inquired whether the Russians would recognize that debt. Rakovsky, President of Ukraine, replied that they would provided that the Allies would also recognize their responsibility for the damage inflicted upon Russia by the forces of Kolchak, Denikin, Yudenitch and Wrangel, damage estimated at 30,000,000,000 gold francs. He asked for the immediate payment of

two billions (\$400,000,000) on account.\* Meanwhile at Quarto Litvinov on April 17 claimed that Soviet Russia came to Genoa as a victor. "The Allies having lost their war with Russia," he said, "we are here to make peace. We have named our conditions. We must be paid for what Russia did for the Allies and we must be paid for the damage the Allies did Russia through Kolchak, Denikin and Wrangel and by the blockade for which America also was responsible. Russia spent in 1914-1917 for the Allies 20,000,000,000 gold rubles. We want that back. The damage by intervention and blockade was 35,000,000,000 gold rubles. If we are paid that we will recognize Russia's pre-war debt. The Allies claim 65,000,000,000 gold francs from us. We claim 125,000,000,000 gold francs. We cannot make peace and go back with less than 20,000,000,000 gold francs "

Chicherin was informed that when Soviet Russia recognized the Russian pre-war debt and the loans made by the Allies to Russia during the war, and its own liability for the losses of foreigners through the confiscation of their Russian property, the Allies would consent to receive and consider Russian counter-claims. The Russian reserved his answer to these terms.

### ***Russo-German Treaty of Rapallo***

For some months the Russian and German Governments had been discussing terms of a treaty. It was virtually completed when Chicherin and his associates stopped in Berlin on their way to Genoa. At that time the German Government returned to them as representatives of the Soviet Republic the handsome Russian embassy building in Berlin which had formally belonged to Imperial Russia. The text of the proposed treaty was brought to Genoa, and was there signed on Sunday, April 16, by Chicherin and Rathenau. This action was made public on the next day, with the following official explanation from the German delegation:

"Several months of negotiations between the Germans and Russians was brought to a conclusion Easter Sunday. A treaty has been drafted based on full reciprocity. Regular diplomatic relations will be resumed. All indemnity claims growing out of the war have been canceled, as well as the

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\*Rakovsky said that the United States owed Russia 10,000,000,000 gold rubles for putting the Japanese into Siberia, for the blockade and the interference at Archangel

pre-war debts. The same arrangement has been made for claims growing out of the Russian nationalization of German property, with the provision that Germany benefits from any general arrangement Russia makes with an outside Power. For the future Germany will enjoy the position of the most favored nation under reciprocal relations.

"Thus the treaty in nowise affects the relations of the two nations with any third nation. The treaty wipes out the past and establishes a basis of future restoration. The advantages we may hope from the German-Russian agreement will be useful for all Europe.

"This agreement made during the Conference does not mean that Germany withdraws from the conference for general European reconstruction. Both contracting Governments are convinced the agreement will be useful for achieving the aims of the conference for the restoration of general peace."

Thus it appears that the French refusal to discuss reparations pushed the Germans and Russians into each other's arms. Chicherin at Quarto could not obtain the Allies' consent to a mutual cancellation of obligation, but Germany, which was not represented at Quarto, agrees in this treaty that Russia is right and the Allies wrong on this point. The text of the treaty which was signed at Rapallo, the Russian headquarters, is as follows:

ARTICLE 1—(A) The German and Russian Governments have agreed to settle wartime questions on the following basis: The German Government and the Soviet Republic reciprocally renounce reimbursement of war expenses as well as reimbursement of war damages and also damages suffered by their subjects in the war territories because of military measures, including requisitions carried out in the enemy's country. Likewise the two contracting parties renounce reimbursement of civil damages caused by the so-called exceptional laws or by coercive measures by State authorities.

(B) All legal relations concerning questions of public or private law resulting from the state of war, including the question of merchant ships acquired by either side during the war, shall be settled on a basis of reciprocity.

(C) Germany and Russia mutually renounce the repayment of expenses caused by prisoners of war in the same way as the Reich renounces repayment of expenses caused by the internment of soldiers of the Russian Army. The Russian Government renounces payment of the sum Germany has

derived from the sale of Russian Army material transported into Germany.

**ARTICLE 2**—Germany renounces all claims resulting from the enforcement of the laws and measures of the Soviet Republic as they have affected German nationals or their private rights or the rights of the German Reich itself, as well as claims resulting from measures taken by the Soviet Republic or its authorities in any other way against the subjects of the German Reich, or their private rights, provided the Soviet Government shall not satisfy similar claims made by any third State.

**ARTICLE 3**—Consular and diplomatic relations between the Reich and the Federal Republic of Soviets shall be resumed immediately; the admission of Consuls to both countries shall be arranged by special agreement

**ARTICLE 4**—Both Governments agree further that the rights of the nationals of either of the two parties on the other's territory, as well as the regulation of commercial relations, shall be based on the most favored nation principle. This principle does not include the rights and facilities granted by the Soviet Government to another Soviet State or to any State that formerly formed part of the Russian Empire.

**ARTICLE 5**—The two Governments undertake to give each other mutual assistance for the alleviation of their economic difficulties in the most benevolent spirit. In the event of a general settlement of this question on an international basis they undertake to have a preliminary exchange of views. The German Government declares itself ready to facilitate as far as possible the conclusion and execution of economic contracts between private enterprises in the two countries.

**ARTICLE 6**—Clause 1, Paragraph B, and Clause 4 of this agreement shall come into force after ratification of this document; the other clauses will come into force immediately.

All the Allied Powers regarded this act by Germany and Russia as disloyal to the other conferees and as a violation of good faith toward the conference. Rathenau said that the British delegation had been advised of the Russo-German negotiation and that he himself had tried to see Lloyd George and had been turned away. Lloyd George denied any previous knowledge. The French Government held that the treaty had violated Article 260 of the Treaty of Versailles and the Cannes agreement under which the Genoa Conference was held. Since



January, 1921, the Reparations Commission and the German Government had been discussing a complete list of all German property in Russia. Articles 1 and 2 of the new treaty would traverse the rights of the Reparations Commission. France demanded the abrogation of this Treaty of Rapallo.

The Allies were finally brought to agree to a note of censure, written by Lloyd George and delivered to the German delegation on April 18. This note, the text of which follows, excluded the German delegates from further discussions in the conference pertaining to Russia, but one reason for Germany's action in signing the treaty on the 16th was the fact that no German delegate had been invited to the Conference with Chicherin at Quarto.

The undersigned Powers learned with astonishment that in the first stage of the Genoa Conference Germany without reference to the other powers assembled has secretly concluded a treaty with the Soviet Government.

The questions covered by the treaty are the subject of negotiations between the representatives of Russia and those of all the other powers invited to the Conference, including Germany, and the German Chancellor himself declared at the opening session that the German delegation would co-operate with the other powers for a solution of these questions in a spirit of genuine loyalty and fellowship.

The undersigned Powers, therefore, express to the German delegation in the frankest terms their opinion that the conclusion of such an agreement while the conference was in session is a violation of the conditions to which Germany pledged itself on entering the conference.

By inviting Germany to Genoa and offering her representation on every Commission on equal terms with themselves, the inviting Powers proved their readiness to waive memories of the war and granted Germany an opportunity for honest co-operation with former enemies in the European tasks of the Conference. To that offer of good will and fellowship Germany replied with an act which destroys the spirit of mutual confidence indispensable to international co-operation, the establishment of which is the chief aim of the Conference.

At all conferences unofficial conversation between parties are permissible, often desirable. They are helpful so long as they are designed to facilitate the common task and so long as the results are brought to the conference table for common

discussion and decision. But that is not what the German delegates have done.

This treaty is not subject to any examination or sanction by the Conference. We understand that it is final and that it is not proposed to be submitted to the judgment of the Conference. It is, in fact, a violation of the principles on which the Conference is based.

In these circumstances the undersigned do not consider it fair or equitable that Germany, having effected her own arrangement with Russia, should enter into a discussion of the conditions of an arrangement between their countries and Russia; they, therefore, assume that the German delegates have by their action renounced further participation in the discussion of the conditions of agreement between Russia and the various countries represented at the conference.

(Signed)

Lloyd George (England),	Benesh (Czecho-Slovakia).
Barthou (France),	Skirmunt (Poland).
Facta (Italy),	Ninichich (Yugo-Slavia).
Ishii (Japan),	Diamandy (Rumania).
Theunys (Belgium),	

These signatory Powers, it may be noted, make up the Supreme Council and the Little Entente with Poland. At the last moment Portugal associated itself with the signers of the note.

### ***Invitation to J. P. Morgan and the Federal Reserve Bank.***

The Reparations Commission on April 18 invited J. P. Morgan or some member of his firm, to be named by him, to become a member of its Financial Sub-Committee, which will meet in Paris on April 30 to consider the possibility of floating an international loan for Germany.

The Sub-Commission as now made up is composed of former Premier Delacroix of Belgium, Chairman; Signor d'Amelio of Italy, Vice Chairman; Karl Bergmann, Germany; Sir Robert Kindersley, Great Britain; Charles Sergent, France; Dr. G. Vissering, Holland.

On the 24th Mr. Morgan announced that he had accepted the invitation.

On the next day, April 19, in the Finance Commission of the Genoa Conference it was voted that the Bank of England

be asked to convene an international conference of central banks of emission, and that an invitation be sent to the Federal Reserve Bank of the United States. On the 24th Secretary Mellon said that the Federal Reserve Bank might participate in such a conference without objection from the Government.

### *Protests*

During the day and night of April 19 the Germans protested against receiving the note of censure and against being excluded from the Committee on Russia by vote of only ten members of it. They asked how this group of ten fitted into a conference of equals and demanded that the whole question be submitted to the whole Committee. Many neutral and smaller Powers sympathized with this protest. They objected to small Councils at Quarto in which they were not represented, and Branting of Sweden and Motta of Switzerland called upon Lloyd George to demand that the Conference should be assembled. So far as the German delegation was concerned Lloyd George held firmly to one answer—they must give up either their treaty or their membership in Committee No. 1 when it discusses Russian affairs. The latter alternative was accepted by the Germans in a long note signed by Chancellor Wirth and delivered to Chairman Facta on April 21.

"Germany has recognized the Russian Soviet Republic for several years. A settlement had, however, to be made between the two countries with regard to the consequences arising from the state of war before it was possible to renew normal diplomatic relations. The negotiations carried on between the two Governments over this question had already several weeks ago progressed so far that a conclusion was possible.

"It was especially of importance to Germany to come to an understanding with Russia because she gave an opportunity of establishing peace with one of the great belligerent Powers under conditions excluding lasting debtorship and rendering possible, on a fresh basis unencumbered by the past, a renewal of friendly relations. Germany came to Genoa with a hearty desire to co-operate with all the nations in restoring the suffering European Continent and trusting in a mutual understanding of the difficulties of all parts of that Continent.

"The propositions of the London Conference left Germany's interest out of regard. To sign them would have meant to call forth heavy reparation claims for Russia against Germany. A number of clauses would have led to burdening consequences of Czaristic war-time legislation on Germany alone.

"Repeatedly and in extensive discussions with members of the delegations of the inviting Powers the German delegation has called attention to these serious misgivings. But it was without success. On the contrary, the German delegation became aware that the inviting Powers had entered into separate negotiations with Russia.

"Information which came to hand about these negotiations led to the conclusion that an agreement would be arrived at shortly, but that it was not contemplated to take the just claims of Germany into regard.

"Upon this the German delegation were left with no doubt that they were forced to pursue their own interests alone as otherwise they would have come into a position of being confronted in the Commission by a draft which was unacceptable to them but which was already agreed upon by a majority of the delegates on the Commission.

"For this reason the treaty with Russia was signed Sunday evening in exactly the same terms as it was drafted weeks ago, and was immediately published.

"This course of action most clearly shows that the German delegation did not proceed to negotiations with Russia from lack of solidarity but from compelling reasons. It just as clearly shows that the German delegation has striven to keep clear of all secrecy in procedure.

"It would be quite in accordance with the wishes of the German delegation if the Conference should succeed in arriving at a general settlement of the Russian question and if the German-Russia Treaty were embodied in this general arrangement. This should very well be possible, as the treaty nowise affects the relations of other States to Russia.

"Furthermore, it is in all its provisions guided by an idea the realization of which is justly proclaimed as the chief aim of the Conference—namely, by a spirit which looks on the past as definitely closed and seeks to lay the foundation for mutual peaceful restoration.

"With regard to further treatment of the Russian question in the Conference, the German delegation also thinks it right that it should take part in the deliberations of the first Com-

mission on questions corresponding to those already settled between Germany and Russia only in case its collaboration be especially asked for.

"On the other hand, the German delegation remains interested in all questions referred to the first Commission which do not relate to the points settled in the Russian-German Treaty.

"The German delegation welcomes with satisfaction the development which the discussion of the Commission has taken. They are as one with the spirit of solidarity and good faith that has animated this work.

"Far from thinking of turning away from the common work in Europe, they are prepared to participate in the tasks allotted by the Conference at Genoa with a view to reconciling the nations and adjusting the welfare of the East and the West."

The French delegation entered a protest against this letter, and sent a note to Premier Facta asking him to call a meeting of the Powers that signed the letter of censure. They reiterated their belief that the Russo-German Treaty violated the Cannes agreement.

On the same day, April 21, the Allied memorandum of terms in dealing with Russia, presented on April 15, and the Russian answer were made public. On the night before Rakovsky had put forth a 10,000-word propaganda statement that Russia would not pay the debts incurred by the Czar's Government, that Soviet Russia had as much right to nationalize property as other Governments had to tax property, and that the Allies owed more money to Russia than Russia owed the Allies. Chicherin's note was in strong contrast to Rakovsky's propaganda.

### ***The Allied Proposals***

"ARTICLE 1—The creditor Allied Governments represented at Genoa cannot admit any liability regarding the claims advanced by the Soviet Government.

"ARTICLE 2—In view of the serious economic condition of Russia, however, such creditor Governments are prepared to write down the war debts owing by Russia to them by a percentage to be determined later; and the countries represented at Genoa would be prepared to consider not only the postponement of payments of interest upon financial claims,

but also the remission of some part of the arrears of interest or postponed interest.

"ARTICLE 3--It much be definitely agreed, however, that there can be no allowance made to the Soviet Government against: First, either debts and financial obligations due to foreign nations; or, second, the right of such nationals regarding the return of their property and compensation for damage or loss in respect thereof."

### ***The Russian Reply***

"The Russian delegation has examined with the greatest care the proposal of the Allied governments, as set forth in the official note of April 15, and at the same time has consulted with its Government there anent.

"The Russian delegation is of the opinion that the present economic situation in Russia and the circumstances leading to it amply justify, in respect to Russia, the complete remission of all her debts as set forth in the above-mentioned note by recognition of her counter-claims.

"However, the Russian delegation is ready to go a step further in the quest for a solution and adjustment of differences and to accept Articles 1 and 2 and Item 1 of the above-mentioned annex, provided that war debts and arrears in interest, as well as postponed interest on all debts, are written down and financial assistance is given Russia to help her to recover from her present economic state in the shortest possible time.

"Regarding Article 3, Part 2, on the subject of the above conditions, the Russian Government would be ready to restore to their former owners the use of property, nationalized or reserved, under the reservation that, in the event of that being impossible, satisfaction shall be given to the legitimate claims of the former owners, either by mutual agreement arrived at indirectly between both parties or in virtue of arrangements to be worked out during the present conference. .

"Financial assistance from foreign sources is absolutely vital for the economic reconstruction of Russia, and so long as there is no prospect of reconstruction forthcoming the Russian delegation does not see its way to saddling its country with debts of which it would not be able to acquit itself.

"The Russian delegation wishes it clearly understood, notwithstanding the fact that it appears obvious in point of

right, that the Russian Government cannot assume any obligation with respect to the debts of its predecessors until it has been officially recognized, *de jure*, by the interested Powers.

"Hoping you will find the foregoing proposals will be an adequate basis for a resumption of discussions, we have the honor to be, your very obedient servant,

CHICHERIN."

The fourth paragraph of this Russian reply appears to nullify Article 2 of the Russo-German Treaty if the Moscow authorities finally approve of Chicherin's statement.

April 22. The French delegation recorded another protest. This one was against the Russian reply, on the ground that Russia must recognize its debts without conditions, but Chicherin's note, in its third and sixth paragraphs sets forth two preliminary conditions. A Russo-French quarrel over this protest began in Commission No. 1, but was harmonized by Lloyd George. Thereupon a Special Committee of experts went to work upon details of Russian financial problems.

Rakovsky's propaganda statement was today formally withdrawn by the Russian delegation. Chicherin said: "My note is the right one. Rakovsky's note was a statement of things as we thought they ought to be. You may judge from its length, it took some time to prepare and in part represented the arguments we no longer are using at Genoa."

In order to give due recognition to the French protest against the actions of the Germans a new note was prepared under the leadership of Lloyd George and given to the German delegation on April 23. At the same time he is said to have requested the Germans to make no reply to it so that the Conference might get on. The Germans, at any rate, did not reply to the note, which was purposely worded to declare the incident closed.

Mr. Lloyd George, while going thus far to satisfy French feeling, took occasion to say in the name of the British Empire that British people would not care to co-operate in a conference if it were tending to maintain feuds to prevent peace. Premier Bratiano of Rumania supported Lloyd George's warning. M. Barthou said that the French delegation was ready to get down to work, and he accepted Chicherin's last note as a basis for discussion.

The text of this final note to the Germans was as follows:

"The undersigned desire to acknowledge the receipt of your reply to their note of April 18, indicating the attitude

that they felt bound to adopt in view of the treaty concluded by the German and Russian delegations.

"They note with satisfaction that the German delegation realizes the conclusion of a separate treaty with Russia on matters falling within the purview of this Conference renders it undesirable that that delegation should participate in the future in the discussion of the conditions of an agreement between Russia and the various countries represented in the Conference.

"The undersigned would have preferred to refrain from further correspondence on the subject. There are, however, certain statements in your letter which they feel it their duty to correct.

"Your letter suggests that the German delegation has been forced to conclude a separate agreement with Russia by the refusal of the members of the delegations of the inviting Powers to consider grievous difficulties which the proposals formulated by their experts in London would have created for Germany.

"The undersigned representatives of the inviting Powers have made inquiries of the members of their respective delegations and find no shadow of justification for this statement. On various occasions members of the German delegation have met and talked with members of the delegations of the inviting Powers; but never has it been suggested that the London proposals afforded no basis for discussion in the Conference, and that the German delegation was about to conclude a separate treaty with Russia.

"The allegation that the informal discussions with the Russians on the subject of recognition of debts exposed the delegation to the risk of being confronted with a scheme unacceptable to Germany but already approved by a majority of the members of the Commission, is equally unfounded. No scheme would, or could, have been accepted by the Conference without the fullest opportunity for discussion in competent committees and sub-committees; and in these Germany was represented on a footing of equality with the other Powers.

"A misconception of the scope of the experts' proposals or a misunderstanding of the informal conversations with the Russians might well have justified a request for full discussion in the committees of the Conference. They can provide no justification for the action which now has been taken, and the undersigned can only regret that your note should have attempted in this way to impose on the other Powers the respon-



sibility for a proceeding so contrary to the spirit of loyal co-operation which is essential to the restoration of Europe.

"The undersigned expressly reserve for their Governments the right to declare null and void any clauses in the Russo-German treaty which may be recognized as contrary to existing treaties. The incident may now be regarded as closed.

The note was signed by the representatives of the Big and Little Entente and Portugal, who, it was explained, had been originally thus grouped together for this purpose because they were all signers of the Versailles Treaty.

On April 24 Premier Poincaré delivered at this birthplace, Bar-le-Duc in Lorraine, a speech which was really aimed at the Genoa Conference and at Lloyd George in particular. Calling himself a "frontier Frenchman," he defined four foundations of French policy.

1. France would permit no violation of the Versailles Treaty.

2. France would bar at Genoa any discussion of reparations, disarmament or previous treaties. He believed that continuous supervision of German military and aeronautic establishments would be necessary.

3. If Germany did not yield to the requirements of the Reparations Commission by May 31, the Allies should at once "protect their interests," and France would, if compelled to, do it alone.

4. France would insist that the Allies "minutely consider" the situation created by the Russo-German Treaty, "a direct menace to Poland and consequently an indirect menace to us."

### ***Greeks vs. Turks***

On the same day, April 24, a resumption of hostilities was reported in Asia Minor, the Greeks advancing toward the Gulf of Adalia, territory formerly claimed as an Italian zone. This seemed to end the efforts for peace.

### ***Upper Silesia***

On the same day it was announced at Geneva that the Polish-German negotiators, sitting since April 8 under the presidency of Dr. Felix Calonder, representative of the League of Nations, had broken their deadlock, and perfected a final economic agreement.

### ***Genoa Conference***

By April 25 the work of the committees' of the Genoa Conference was virtually completed, except that of Committee No. 1 (Russia).

The Transport Committee agreed to recommend as International Railway Conference in Paris to attempt the establishment of something like a continental railway system. It also voted to urge all European Powers to ratify the Transit Conventions framed at Barcelona and Porto Rosa. The Lithuanian delegate, however, warned the committee that Lithuania could not conform to any uniform transport system because Poland was occupying the Lithuanian Province of Vilna. The Economic and Financial Committees each adopted resolutions and recommendations similar to those advocated by the corresponding Commissions of the League of Nations. Committee No. 1 was marking time because the Russians expected that any foreign corporation doing business in Russia must accept the Soviet Government as a partner in the business, and because the Soviet Republic would not return to any former foreign owner property which had been nationalized. Moreover the Russians wanted cash loans and the Allies would consider only credit loans and those protected by broad restrictions and safeguards, under the control of an international credit corporation or consortium. These antagonistic views are well illustrated by a colloquy in the meeting of the sub-committee of experts under Committee No 1, as reported in the New York Times of April 26.

"To illustrate how difficult it is to make progress with the Soviet may be cited an incident which broke up last night's meeting of the experts of other countries with the Russian experts. M. Rakovsky, speaking for the Russians, explained that not only would Russia refuse to give back property owned by foreigners, this applying to railroad stock factories and shares in industries, but demanded that other countries hand over to the Soviet outright all property on their territories ever owned by Russians, Rakovsky said:

"We have nationalized property, so we cannot let individuals own it, whether Russians or foreigners. But you have not nationalized property. That makes it different."

"Baron Cartier of Belgium said:

"Look here, if there was a bank in Brussels where Russian subjects had deposited 2,000,000 rubles and a bank in Moscow where Belgians had deposited 4,000,000 francs, do you

mean that we should hand over the 2,000,000 rubles and you should keep the 4,000,000 francs?"

"'That's it, exactly,' replied M. Rakovsky. 'You have got the point. We cannot give your money back because it has been nationalized, but you can give our money back because it has not been nationalized. If you were to turn Communist and nationalize money and property we would not ask you to give it back.'

"It was at this point that Sir Laming Worthington Evans, Chairman of the Experts' Commission, said he did not think there was any use carrying on the debate with the Russians, as unless they changed their attitude no progress could be made."

On the same date, April 25, Chicherin handed to the Polish delegation a note of violent protest against the appearance of Poland among the signers of the letter of protest against the Russo-German treaty. He asked the Poles to send him an explanation of their actions, which he interpreted as a violation of their agreement at Riga on March 30, and as a cause for abrogating the Russo-Polish peace treaty of 1921.

The substance of his formal note follows:

"In connection with the note which some of the delegations participating in the Genoa Conference forwarded on April 18 to the President of the German delegation, and which was published in the newspapers of April 19, and also in connection with the answer of these delegations to the German note of April 22, which was published on the 24th, I wish to call attention to the following:

"Leaving completely aside the question whether the considerations which led the delegations signatory to the first note to invite Germany to abstain henceforth from participation in the conference on questions relating to Russia were justified, I think nevertheless these same considerations should oblige Poland also to refrain from participation because the treaty concluded by Russia and Poland at Riga on March 18, 1921, settled all questions of importance between the two States under a form much more concrete and definite than the treaty signed at Rapallo by Russia and Germany on April 16.

"At the same time I cannot refrain from remarking how strange and incomprehensible it seems that a government which recognized de jure without reservations the Soviet Government of Russia and which concluded a treaty with it, should join in a movement aimed at removing its right to make treaties with other governments.

"In this action of Poland my government is obliged to see a blow against the sovereign rights of Russia and a consequent serious violation, firstly, of the treaty of peace concluded at Riga on March 18, 1921, between Russia, Ukraine and Poland, and ratified by the Polish Diet on April 30 of the same year, and secondly, a violation of the record signed at Riga on March 30, 1922, between Russia, Poland, Esthonia and Latvia, whereby Poland engaged not only to work in harmony with Russia in the Genoa Conference, but to strive by every force at the Genoa Conference to have the Russian Government recognized *de jure* by the States which have not done so.

"Finally, the circumstance that the governments signing the reply to the German note, among them Poland, which belongs neither to the Big nor the Little Entente, and is allied to Russia by normal contractual relations, reserved for themselves the right not to approve certain clauses of the Russo-German treaty, -creates an extraordinary precedent, whereby any third Power can justify itself in annulling a treaty between two Powers. By following this precedent, Russia would have the absolute right not to recognize treaties or parts of treaties disagreeable to her concluded between Poland and other Powers.

"The Russian Government, however, is not disposed to proceed on this path blazed by the Polish move, and declares categorically that in no case can it permit treaties concluded by Russia to depend for their legality on the action of Powers not signatory."

April 26 the British delegation took the lead in announcing that the Powers signatory to the Versailles Treaty would be asked to meet at Genoa before the end of the Conference, in order to consider what should be done if Germany would not submit to the Reparation Commission. At the same time, Lloyd George and Premier Benesh of Czecho-Slovakia were at work upon a proposed ten-year non-aggression pact, modeled upon the Four-Power Treaty of the Washington Conference, but possibly providing for a land armament holiday, settlements of disputes about frontiers in Europe, and guarantees for the solutions.

On the next day the proposal for a conference of the Versailles Treaty signers was wrecked by the refusal of Premier Poincare to come. He did not wish to discuss reparations in a Genoa atmosphere, and would avoid questions about the meaning of his Bar-le-Duc speech. Later (April 30) Lloyd George suggested San Remo as a place of meeting, and Poincare

assured Lloyd George that France would not act concerning Germany without consulting the Allied Powers. This assurance seemed to render any immediate summons of the Supreme Council superfluous.

### ***Reparations Commission.***

It was announced at Paris on April 28 that the Reparations Commission would not regard the Russo-German Treaty of Rapallo as in any respect a violation of the Treaty of Versailles, if Germany would consent to extend her reservations in that compact so as to protect Allied interests.

The Commission also drafted another note to Germany, saying that before May 31 Germany must accept the requirement of new taxes and financial control or be prepared to face the consequences.

The official verdict of the Reparations Commission on the Russo-German Treaty was given out on May 4, and included a request that Germany state whether Germany would have to provide compensation for its nationals whose Russian rights were renounced in the treaty, and whether the treaty would cause the introduction of any new charges in the German budget.

### ***League Commission on Opium and Drug Traffic.***

During ten days, April 19-29, this Commission was in session at Geneva. Mrs. Hamilton Wright of Washington was in attendance as an expert. The government of the United States was one of the few governments which had returned no answer to the League questionnaire on the opium traffic. It was reported that of the 51 member-States in the League, all but 15 had brought the Hague Opium Convention into force. Among the 15, Persia and Switzerland are especially important. Also the failure of the Treaty of Sevres has left the League without any hold upon opium production and trade in Turkey.

The Chinese delegate protested against foreign investigation of opium cultivation in China, urging that China should be permitted to make its own inquiries. The Japanese delegate declared that his government was actively checking the smuggling of opium from Japan into China.

The Commission had before it the most complete figures on the opium trade that have ever been collected. It adopted

recommendations against any import or export of opium without a written governmental certificate that the drug is needed for medical or other legitimate purposes. The Commission approved such a form-certificate, and recommended that these rules go into effect in Europe and America on September 1, 1922, and in Asia on January 1, 1923.

### ***The Genoa Conference.***

April 26-29. Commission No. 1, meeting without the Germans and Russians, debated the possible terms of a financial settlement with Russia. The English and French did not agree. France and Belgium insisted on the complete restitution of property privately owned. England was willing to compromise with Soviet State ownership on the basis of long leaseholds. On the other hand, the English were more insistent on the repayment of all war debts than the French were.

On the evening of Monday, May 1, the Commission had approved all details of the plan for the economic reconstruction of Russia. Belgian delegates alone refused assent.

It was agreed that, if Moscow and its creditors cannot make a direct arrangement, control of Russian obligations to foreign bondholders (pre-war debts) should be given to a Mixed Arbitral Commission of three, one to be named by the Soviet Republic, one by the Powers representing the foreign bondholders, and one, the chairman, by the Chief Justice of the Supreme Court of the United States.

The Commission will have power to remit interest and decide all questions affecting foreign bondholders and Russia's ability to meet her obligations. A time limit will be fixed in which bondholders may make their own arrangements with the Russian Government if they desire.

Mixed arbitral tribunals, one for every interested nation, will be set up to deal with the question of the property of foreigners which has been nationalized; the chairman of each will be named by the chairman of the mixed Arbitral Commission. The French and Belgians had been standing out for full restitution of all confiscated foreign-owned property. Lloyd George won the French over by pointing out that, under the "possessive use formula" (long leases to the original owners), the Russians could restore property for 99 years, but still retain technical title to the property in the Soviet Government, and avoid surrendering what they considered a fundamental principle in their Soviet system.

This decision would give the Russians the option of mak-

ing payments, values to be fixed by arbitral tribunals, or of returning property on long-term leases.

The Belgian delegation said that Belgians owned nearly a billion dollars worth of property in Russia and demanded its unconditional return.

On the same day Chicherin sent to the Polish delegate a second note, threatening Poland for signing the letter of censure to Germany concerning the Rapallo treaty. He also sent to M. Barthou a letter which began with allusions to the French suspicions of the real character of the Rapallo treaty.

"On that account," it said, "the Russian delegation, in the interest of truth and in order to dissipate possible misunderstandings about the pacific character of its policy, has determined to address you this letter. The Russian delegation announces in the most categorical manner that the Rapallo treaty does not contain any secret clauses of military or political character, and the Russian Government has not engaged in any action of any sort against the interests of the French nation or any other nation whatsoever.

"The agreement at Rapallo had for its object only the regulation of certain questions pending between the two States which had been at war and felt the necessity of re-establishing peaceful relations in their own interest, and in the interest of everybody.

"Far from being directed against France or any other power, the Russo-German agreement, according to the intention of the Russian Government, is only the first of a series of agreements intended in the mind of the Russian delegation to complete those general understandings for which all the powers represented at Genoa are striving. These are needed as a basis for peace throughout the world.

"With regard to the particular position of France, the Russian Government considers that there are several points of contact in the interests of the two countries which will facilitate an agreement between them. In this connection the policy of Russia has never varied, despite the hostile attitude which France has maintained toward Russia more than four years. The Russian Government cannot conceal that France's hostility has created in Russian public opinion a lively resentment against France

"There is no reason why friendly relations should not be established between Russia and France and her allies. The Russian Government is convinced that a change in the attitude of France is as necessary to the interests of France in Russia

and Eastern Europe as it is to the economic reconstruction of the world.

"This letter is dictated only by a sincere desire to dissipate misunderstandings which might interrupt the progress of the Genoa conference."

The text of the memorandum, prepared by the Powers for the Russian delegation, was given to the Press on May 1 in the following form:

#### "ARTICLE I.

"In accordance with the terms of the Cannes resolutions that all nations should undertake to refrain from propaganda subversive of order and of the established political system in the territory of another State, the Soviet Government will not interfere in any way in internal affairs and will refrain from any action which might disturb the territorial and political status quo in other States.

"The Soviet will also suppress attempts in its territory to assist revolutionary movements in other States. The Soviet Government will use its whole influence to assist in the restoration of peace in Asia Minor and adopt an attitude of strict neutrality between the belligerent Powers there."

#### "ARTICLE II.

"In conformity with the Cannes resolutions, the Russian Soviet Government recognizes all public debts and obligations contracted or guaranteed by the Russian State, that is to say, by the Imperial Russian Government, or the Russian Provisional Government, toward foreign Powers.

"Paragraph 1—Being desirous of facilitating the immediate reconstruction of Russia and the rehabilitation of her credit, the creditor Powers are willing to make no claim on Russia at present either regarding capital or interest for the payment of advances made to the Russian Government during the war.

"Paragraph 2—The Allies can admit no liability for the claim against them set up by the Russian Soviet Government for loss or damage suffered during the revolution in Russia since the war.

"Paragraph 3—When an arrangement has been concluded between the Allied and Associated Powers for the liquidation or rearrangement of war debts, the Allied Governments will submit to their Parliaments measures for reducing or modifying the amount due by the Soviet Government on similar lines and with due regard to the economic and financial condition



of Russia, but these measures will be conditional on renunciation by Russia of the claim mentioned in Paragraph 2.

"Paragraph 4—Where responsibility for liabilities contracted by the Soviet Government or its predecessors towards foreign nationals has been assumed by the foreign government, the liabilities will be treated on the same footing as private debts.

"Paragraph 5—The preceding provisions of this clause will not apply to balances standing to the credit of a former Russian government in any bank situated in a country, the government of which has made advances to a former Russian government or assumed responsibility for any Russian loan floated in that country between August 1, 1914, and November 7, 1917. Such balances shall without prejudice to the rights of third parties be transferred to the government concerned. The liability of the Russian Government with respect to war debts shall, pro tanto, be reduced.

"Special Clause Regarding Rumanian Deposits in Russia—The Soviet Government will restore to the Rumanian Government the deposits made at Moscow by the said Rumanian Government."

M. Barthou's signature for France to the memorandum was secured only by the acceptance of a French amendment providing that property which Soviet Russia cannot return to a former owner may not be sold to any third party. If it is incorporated with other items of property, the former owner shall receive a proportional share of such incorporation.

On the morning of May 2 M. Barthou left for Paris to show the Premier the whole text of the ultimatum. Soon after he started came a telegram from Poincaré, asking that the memorandum be not delivered to the Russians until after the French Cabinet had studied it. It is understood that Poincaré also associated himself with the adverse attitude of the Belgians.

It was widely reported on May 1 that the Royal Dutch-Shell Oil companies had concluded agreements with Soviet Russia for the exclusive sales rights to all Russian oil. If this were true, it would mean the readiness of one of the largest business groups in the world to conduct business with Soviet Russia as a partner, and it would indicate what might be done by States and corporations separately, if no common plan of international action were adopted at Genoa.

Krassin for the Russian delegates denied the existence

of the aforesaid agreement, although what purported to be copies of it were in the hands of journalists

### ***United States and Russia.***

May 1. Secretary Hughes reaffirmed the position of the United States Government toward Russia, in answering a delegation of women who called upon him to ask that the United States should give "full and formal recognition of the Russian Soviet Republic, the Far Eastern Republic and the autonomous republics carved out of the former Russian Empire." He said:

"It is a great pleasure to meet you and to hear you, and portant problem. It is hardly necessary to refer to the concern that we all feel with respect to the welfare of the people of Russia. Our interest in the people of Russia has been manifested in the most unmistakable manner, and I do not think that it requires any statement at this time to indicate how anxious we are for the full restoration of the economic power of the Russian people and for their well-being in every way

"There is no disposition to interfere with the Russian people in working out their own destiny. There is no desire to interfere in their internal affairs. The principle that is involved is one that we cherish here. Its application has been somewhat complicated by the organized efforts on the part of the Soviet regime to interfere in the domestic affairs of other peoples.

"With respect to intercourse, it is quite evident that you are under a serious misapprehension. There are no legal obstacles to trade with Russia. The obstacles that exist to trade with Russia are due to the situation in Russia, which is in the control of those who dominate the affairs of Russia.

"Some time ago I pointed out the essential conditions for a return to productivity in Russia. That was not a formula: that was not an artificial conception; that was simply a statement of fact. Russia needs credit, but it is idle to expect credit unless there is a basis for credit. That basis for credit cannot be supplied from the outside. That basis for credit has got to be supplied inside of Russia.

"Political recognition follows the establishment of a sound basis for intercourse. Political recognition is dependent upon the existence of a Government that is competent to discharge and shows a disposition to discharge its international obliga-

tions This whole matter is in the control of those who dominate the affairs of Russia. We are most desirous to do what we can to aid in Russia's recuperation, but they must establish the basis for such recuperation "

### ***Genoa Conference.***

In the afternoon of May 2 Committee No. 1 heard from M. Barrere, head of the French delegation in the absence of M. Barthou, that M Poincare had by telegram withdrawn the signature of France from the memorandum That document was therefore given to the Russians, approved by all the Powers present except France and Belgium, Russia's chief creditors.

On the same day it was announced that the Economics Committee had rejected a proposal that throughout Europe the produce or manufactures of any European country should enjoy the lowest rate of customs imposed by the importing country on similar produce or manufactures from any foreign country. This meant a disregard of exchange values in determining import duties, and was a small step towards a European customs union. It was favored by England, Germany and Japan, but opposed by Belgium, France, Italy, Switzerland and the Little Entente.

On the same day it was announced that subscriptions to the International Corporation, or Consortium for doing business with crippled countries in Europe, i.e., Russia principally, had been made by Canada, Czecho-Slovakia, Denmark, Holland, Japan, Norway, Sweden and Switzerland. England, France, Italy and Germany, the original framers of the consortium, would, with Belgium, take £15,000,000 of the proposed capital of £20,000,000. The eight nations above mentioned subscribed the remaining five millions.

### ***United States Troops on the Rhine.***

On May 3 it was announced that the Allied Governments and Germany had united in a request to the United States Government to leave some of its troops at Coblenz after July 1, for the reasons that the presence of those troops on the Rhine tends to stabilize conditions, to lessen friction, and to exert a wholesome influence.

### ***Genoa Conference.***

On Sunday, May 7, M. Barthou, having returned from Paris, met the representatives of the Press and said that the

Russians must answer the memorandum with a "Yes" or "No." If their reply is dilatory, "then I can merely say that Genoa is a charming city, but we all have other obligations and other duties, which call us elsewhere."

To an inquiry about the proposed agreement against aggression, M. Barthou replied that no such pact is possible unless a previous accord with Russia brings that country into the agreement.

May 9, Chicherin was formally notified by Signor Schanzer of Italy that France and Belgium had both accepted the Allied memorandum to Russia with the amended clause concerning private foreign-owned property in Russia to the effect that Russia may not dispose of such property to any third party. It became possible, therefore, to regard all the Allies as signers of the memorandum.

On the same day the Conference received from Feisal, King of Irak, a protest against the French occupation of Syria and Lebanon, as an abuse of the mandate principle.

It was also announced at Bagdad that Feisal objected to the continuance of a British mandate over Mesopotamia, that he declined to prohibit popular demonstrations against that mandate, although requested to do so by the British High Commissioner, that he censured the Commissioner for refusing to execute the agreement to replace Hindu officials with natives, and that he had summoned a constitutional assembly without the consent of the Commissioner.

"Mesopotamia's relations with other countries," said a proclamation by the king, "will from now on be based on such principles as those upon which all independent States are established. We Arabs hate to submit to any foreign authority. We formerly hated the Turks, and we are not going to accept another bondage now."

Concerning the mandate, the British reply to Feisal was that no mandate can be withdrawn without the consent of all the Allied Powers.

### ***Reparations.***

On May 10 the German Government answered the note of the Reparations Commission sent on April 13. The reply substantially repeated the *non possumus* of the German letter of April 10; it asked for more time, and held a door open for further negotiation.

### ***Genoa Conference.***

On May 11 the Allies received the Russian reply to their memorandum. It is a long document, reviewing the history of the Conference, and the economic history of revolutions, restating the Russian position concerning the nationalization of property and the repudiation of debts, rejecting all the proposals of the Allies, including that\* of a mixed arbitral tribunal to settle disputed claims, and declaring that the billion-dollar loan to the Russian Government, which the Allies had refused, was the indispensable condition of business dealings between Russia and other States.

Upon the subject of debts, Chicherin observed "that more than one among the States represented at the Conference in Genoa have in the past repudiated debts and obligations contracted by it. More than one State has confiscated and sequestered the property of foreigners or its own nationals without having been subjected on that account to the ostracism applied to Soviet Russia." He illustrated this by citing the history of France under the First Republic and of the United States during and after its own revolution.

Questions affecting the relations of Russia with Rumania and other Powers, Russia would settle directly with those Powers.

"The memorandum of the Allies demands that Russia 'suppress upon her territory all attempts to aid revolutionary movements in other countries.' If by this formula the memorandum means to prohibit the activities of political parties or organizations of workers, the Russian delegation cannot accept the prohibition, at least in so far as the activities in question do not transgress the laws of the country."

Chicherin's reply contained one practical suggestion, the examination of the question of compensation for confiscated private property by a commission of experts to be appointed by the Conference.

This suggestion is made in the following passage near the close of the Russian letter, a passage which also seems to indicate Russian willingness to assent to Lloyd George's non-aggression pact:

"The Russian Government sent its representatives to the Conference at Genoa in the hope of achieving an agreement with other States which, without affecting the social and political regime established in consequence of the revolution and intervention victoriously repulsed, would bring about not aggra-

vation but amelioration of the economic and financial situation in Russia and at the same time open the way to amelioration of the economic situation of Europe.

"But this plan presupposed that the foreign Powers who organized armed intervention in Russia would cease using toward Russia the language of the victor to the vanquished, Russia not having been vanquished. The only language which could have led to a common agreement was that which states adopt toward each other when contracting upon a basis of equality.

"Russia remains disposed, in order to assure the success of the agreement, to consent to serious concessions toward the foreign Powers, but on this absolute condition, that to these concessions shall correspond equivalent concessions in favor of the Russian people by the other contracting parties. The popular masses in Russia could not accept an agreement in which the concessions granted should not have their counterpart in real advantage.

"A different outcome, and one suggested by the difficulties of the situation, would be reciprocal annulment of the claims and counterclaims flowing out of the past between Russia and the other Powers. But even in this case the Russian Government has decided to respect the interest of the small bondholders.

"If the Powers decide to occupy themselves with the solution of the financial issues between themselves and Russia, inasmuch as this question demands deeper study of the nature and extent of the claims presented to Russia and a more exact appreciation of the credits that could be placed at her disposal, this task might be confided to a mixed commission of experts appointed by the Conference and whose work should begin at a date and place to be determined by common consent.

"The Russian delegation observes that the great obstacle which hitherto has impeded the work of the Conference is the fact that the ideas of reciprocity expressed above are not yet sufficiently shared by all the Powers; but the Russian delegation must not fail also to emphasize the fact that the pour-parlers which have taken place have opened the way to a rapprochement between Soviet Russia and the foreign Powers.

"The Russian delegation expresses the opinion that the differences arising in the solution of the financial issues between Russia and the foreign Powers ought not to constitute an obstacle to the solution of other problems which can and ought to be solved here—problems interesting all countries,

especially problems involved in the economic reconstruction of Europe and Russia and the consolidation of peace.

"Russia came to the Conference with a conciliatory purpose, and hopes still that her efforts in this direction will be crowned with success."

The immediate reaction of the Allied delegations to the Russian reply was a conclusion that the Conference could do no more. M. Poincare told M. Barthou, May 12, that French delegates would not sit upon any commissions in which the Soviet Republic was represented, since negotiation with them would be futile. Lloyd George and M. Schanzer were of the opinion that a commission of experts representing the Powers, with whom Russia should be included, should be assembled to study conditions of Russian reconstruction under the three heads of Credits, Debts and Private Property. While this committee was at work the Powers would agree to make no separate treaties with Russia. Lloyd George proposed to take up the question of frontiers, especially Galicia and Vilna. The Polish delegation vetoed the latter, saying that if those provinces were discussed they would quit the Conference.

Upon the proposed committee all parties wanted to see a representative of the United States, and France sent such a proposal to Washington, saying that in case of acceptance by the United States, France would consent to Russian participation.

After a day of sessions and consultations on May 13, it was tentatively agreed that the Conference should create a committee and fix a date for its meeting, but that the members of it should be named later by the Governments. There should be no Soviet representatives on the committee, but the Russians should be asked to appoint a committee of their own, which would, on invitation, meet with the first committee. It was tentatively agreed to accept Lloyd George's plan for a truce as the basis of a recommendation to the Governments.

May 14, a formal invitation went from the Conference to the United States Government to take part in the work of the committee, to meet at The Hague on June 15. During the 14th and 15th the plans for the committees were perfected. The Russians, at first disposed to reject the proposal, were persuaded to accept it. The first meeting with the concomitant Russian Expert Committee was set for June 26, if the Powers, including Russia, approve of the work of the committee as a basis for discussion.

The two committees shall then have three months in which to reach an agreement.

Until October 26, 1922, the Powers agree to make no separate treaties with Russia, to countenance no effort on the part of their nationals to obtain Russian property formerly belonging to nationals of any other Government, to commit no act of aggression, and to permit no propaganda for revolution in other States.

But promptly on the 15th came back from Secretary Hughes a refusal to accept the invitation to the United States Government on the grounds that The Hague Committee meeting would be only the Genoa Conference under a new name, necessarily political in character, and that Soviet Russia has not yet met the American demands for safety of life, guarantees of private property rights, inviolability of contract, and the rights of free labor

The texts of the Allied agreement and of Secretary Hughes' letter of declination are as follows:

*Agreement—adopted by the convening Powers on May 14, and approved by Committee No. 1 on May 15 and then presented to the Russians:*

"The representatives present considered the reply to be made to the Russian memorandum of May 11 and agreed to make the following recommendations to the sub-committee of the first committee of the first commission of the Genoa Conference, meeting without the German and Russian representatives:

First—The proposal made by the Russian delegates in their memorandum of May 11, 1922, for the meeting of a commission of experts should be accepted in the form provided in the annex, and June 26 should be proposed as the date for the meeting.

Second—The Powers represented at Genoa, other than Germany and Russia, shall be invited by the President of the Genoa Conference to send representatives to The Hague on June 15, 1922, for a preliminary exchange of action to be adopted by the commission of experts toward the Russians. The President of the Genoa Conference should be requested to extend a similar invitation to the United States if he ascertains she is willing to attend.

Third—The representatives at The League will decide how the commission which will be charged with the conduct of the negotiations with the Russian commission is to be composed.



Fourth—The Governments represented in the preliminary exchange of views will, in the light of these discussions, intimate, unless they already have done so, whether they are willing to take part in the commission. Unwillingness to do so on the part of a Government will not prevent a meeting of the commission on behalf of the other Governments.

Fifth—If no joint recommendations can be submitted by the commission of experts within the period of three months from the date mentioned in clause 4 of the annexed document, or if the joint recommendations are not accepted by the Governments concerned within one month after the date of the recommendations, each Government will be at liberty to make a separate agreement with the Russian Soviet Government on the matters referred to in clause 3 of the annexed document.

Sixth—The delegations agree to recommend to their respective Governments not to recognize or support any private agreement made by their nationals with the Russian Soviet Government affecting property provisionally belonging to other foreigners before the conclusion of the work of the expert commissions or during one month following the making of joint recommendations, if any.

Seventh—The annexed document should be communicated to the Russian delegation.

Eighth—The Belgian and French delegations declared they would recommend to their Governments to adhere to the decisions embodied in the present proces verbal.

*The annex to the above agreement, containing the draft of the clauses for communication to the Russian delegation, is as follows:*

First—The Powers mentioned above agree that a commission of experts shall be appointed for the purpose of further consideration of the outstanding differences between the Russian Soviet Government and the other Governments and for the purpose of meeting a Russian commission similarly empowered.

Second—The names of the Powers represented on the non-Russian commission, together with the names of the members of the commission, will be communicated to the Russian Soviet Government, and the names of the members of the Russian commission will be communicated to the other Governments not later than June 20.

Third—The matters to be dealt with by these commissions

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will comprise all outstanding questions relating to debts, private property and credits.

Fourth—The members of the two commissions will be at The Hague by June 26.

Fifth—The commissions will endeavor to arrive at joint recommendations on matters dealt with in clause 3.

Sixth—In order to enable the work of the commissions to be carried on in tranquillity and in order to restore mutual confidence, engagements will be entered into binding the Soviet Government on the one hand and the other participating Governments on the other to refrain from all acts of aggression against their respective territories and to refrain from subversive propaganda. The pact to refrain from acts of aggression will be founded on the observance of the existing status quo and will remain in force either until the outstanding frontier questions of Europe are settled or for a definite period. The agreement against propaganda will bind all the signatory Governments to abstain from interfering in any way in the internal affairs of other states, from supporting by financial or other means political organizations at work in other countries, and to suppress in their territory any attempt to foment acts of violence in other states and attempts which might disturb the territorial and political status quo.

The delegations of Belgium and France gave no official approval to this agreement, because they had not signed the note to which the Russian letter of May 11 was a reply. This agreement would not prevent the conclusion of trade agreements under negotiations prior to April 10, a consideration which affects Italy, Sweden, Japan and Czecho-Slovakia; nor is there anything to prevent private concerns negotiating for concessions in Russia just so they do not take property formerly belonging to some other foreigner or foreign concern.

There is, then, nothing to prevent the Shell group, Standard Oil, French groups or others from conducting negotiations with the Russians. In this connection there was a violent protest by the Russians with regard to any curtailment of separate arrangements. This protest was embodied in a letter from Chicherin to Schanzer on the 14th. The former objected also to the exclusion of Russians from the first committee.

It may be noted that Germany is excluded from The Hague Committee because of the Russo-German treaty of Rapallo.

***The American Letter.***

"The Secretary of State has directed Ambassador Child to deliver the following reply for the American Government ;

"This Government has carefully considered the invitation extended to it by the President of the Genoa Conference, under the conditions set forth in the agreement of the inviting Powers, to join the proposed commission to meet at The Hague on June 15. This Government is most desirous to aid in every practical way the consideration of the economic exigencies in Russia, and wishes again to express the deep friendship felt by the people of the United States for the people of Russia and their keen interest in all proceedings looking to the recovery of their economic life and the return of the prosperity to which their capacities and resources entitle them.

"The American people have given the most tangible evidence of their unselfish interest in the economic recuperation of Russia, and this Government would be most reluctant to abstain from any opportunity of helpfulness.

"This Government, however, is unable to conclude that it can helpfully participate in the meeting at The Hague as this would appear to be a continuance under a different nomenclature of the Genoa Conference and destined to encounter the same difficulties if the attitude disclosed in the Russian memorandum of May 11 remain unchanged.

"The inescapable and ultimate question would appear to be the restoration of productivity in Russia, the essential conditions of which are still to be secured and must in the nature of things be provided within Russia herself.

"While this Government has believed that these conditions are reasonably clear, it has always been ready to join with the Governments extending the present invitation in arranging for an inquiry by experts into the economic situation in Russia and the necessary remedies. Such an inquiry would appropriately deal with the economic prerequisites of that restoration of production in Russia without which they would appear to be lacking any sound basis for credits.

"It should be added that this Government is most willing to give serious attention to any proposals issuing from the Genoa Conference or any later conference, but it regards the present suggestions, in apparent response to the Russian memorandum of May 11, as lacking, in view of the terms of that memorandum, in the definiteness which would make possible the concurrence of this Government in the proposed plan."

On the same day, May 15, Senator Borah introduced into the American Senate a resolution that the Senate "favors recognition of the Soviet Government of Russia." Most of the Senators of either party were opposed to this.

On the following day Secretary Hoover, speaking before the National Chamber of Commerce at Washington, approved Secretary Hughes' policy toward Russia and defined what should be the foundations of the reconstruction of Europe and of world security as follows:

"First—Such political relations between the States in Europe themselves as will produce an atmosphere of peace and destroy the atmosphere of war.

"Second—The reduction of armament, not only to lessen Government expenditure, but to give confidence of peace.

"Third—The intergovernmental debts, including German reparations, to be fixed upon such a definite basis of payment of interest and principal as will create reasonable confidence that payments will be met.

"Fourth—The balancing of budgets more through the reduction of expenditure than the increase in taxation, and a cessation of the consequent inflation in currency and short-time bills.

"Fourth—The ultimate establishment of the gold standard with the assistance of either credits or gold loans, and where necessary, the acceptance of diminished gold content in many old units of currency"

At the session of Committee No. 1 on May 16 Chicherin asked many questions about the plan of the Powers.

"He wanted to know why Germany was excluded. Mr. Lloyd George replied it was because Germany had made her treaty with Russia. M. Chicherin then asked whether Poland, which has a separate treaty (that of Riga) with the Russians, would be excluded. He was told no. M. Chicherin observed it was apparent that Germany was being excluded as a punishment for the Rapallo Treaty. There was no reply.

"The Russian chief next objected to the term 'debts' in the plan and wanted it made 'credits.' This was refused.

"He wanted to know if Russia would get a loan or de jure recognition, or both, at The Hague. Mr. Lloyd George told him to wait and see.

"M. Chicherin thereupon objected to The Hague on the ground that Holland did not like the Bolsheviki. Mr. Lloyd

George replied that if necessary the Conference would try to find a country which did like them."

Chicherin wanted the non-aggression agreement in the sixth paragraph of the annex to the Allied plan for The Hague Committee interpreted to include the Far Eastern Republic, and other States allied with Moscow.

Viscount Ishii said that the Far Eastern Republic had not been invited to Genoa, and therefore the subject could not properly be raised. He referred to the massacre of Japanese at Nicolaievsk in 1920, and said that Japanese troops would be withdrawn as soon as there could be adequate assurance against the repetition of such outrages.

Chicherin retorted that the Japanese had provoked the clash at Nicolaievsk and had used it to demand the annexation of the northern half of Sakhalin. Lloyd George observed that the non-aggression compact might begin right there around the table.

Chicherin warned that any attack on a republic allied to Russia would automatically open a war with Russia.

The Conference regarded itself as dealing with European questions only. Among them there was a strict selection.

Vilna was referred back to the League of Nations. So was a proposal to make the Red Cross an official agent for dealing with epidemics and famine; but it was voted to authorize an appeal to the Powers to support the crusade against epidemics.

Hungary and Bulgaria were allowed to offer petitions for the better treatment of minorities in neighboring States; but Bulgaria was not permitted to ask for a port on the Aegean Sea, because this was a question only for the Powers that signed the Treaty of Neuilly. On the same day, May 16, it was intimated at Washington that the United States would not accept an invitation from Great Britain to join that nation and France and Italy in a joint investigation of alleged atrocities inflicted by Turks on Christian minorities in Asia Minor.

On May 17 in Committee No. 1, the Russians accepted the plan for a Hague meeting after receiving assurances that the Dutch Government would give to the Soviet representatives the same protection that other delegations had. It was agreed that the non-aggression truce should last for eight months instead of four. The Committee formally approved of the plan on the following day.

The Economic Committee also approved of its resolutions

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in final form, repeating virtually the recommendations of the Brussels Congress and of the Passport Conference, just as the Transport Committee renewed the recommendations of the Barcelona Conference.

On May 19 came the last plenary session of the Genoa Conference, ending in the final adjournment.

The formal reports from the committees were presented for approval.

From Committee No. 1 the projects for The Hague Conference of Experts and for the truce were accepted with reservations by States along the Russian border, whose peace treaties with Russia are not to be changed or affected by the truce.

Japan approved with a formal reference to the declaration of the President of Committee No. 1 that the truce would not affect the position of the Japanese troops in Siberia. The French and Belgian delegations, as in Committee, promised to recommend the adoption of the plan of the report by their Governments.

Lithuania and Poland aired their controversy over Vilna, which prevented the former State from accepting Clause 6 of the Allied agreement.

Chicherin objected sharply to the report from the Economic Committee because Russians had been excluded from the Committee meetings, because the work of co-operative societies and protection for laborers had not been considered, and because the 8-hour day conventions of the International Labor Organization had not been upheld, some governments, notably Switzerland, being unwilling to accept the 8-hour day. With these reservations, Russia accepted the Committee's report.

M. Colrat, for the Economic Committee, said that the Russians attended meetings of the Committee so seldom that the Committee finally regarded them as not qualified to take part in the deliberations. He also declared that "the head of the Russian delegation is little qualified by the present economic prosperity of his country to come and give lessons in economics to other peoples."

Dr. Motta for Switzerland said that the 8-hour day was observed there in private enterprises and in the public service, but that the Government would reserve the right to make modifications.

Signor Schanzer said: "The torch of this Conference must not be extinguished. Genoa passes it on to The Hague."

The chief speeches of the last session were made by Dr. Rathenau and Lloyd George.

The former based his remarks upon the report of the Economic Commission. He said that European indebtedness had outrun capacity for production. Countries which were both creditors and debtors did not know how much they could collect nor how much they could pay.

Debtor countries could pay only in goods. When other nations erected barriers, payments could not be made. Economic reconstruction could be based only on mutual confidence.

Lloyd George's speech was largely devoted to the subject of Russia. These are the concluding paragraphs:

"I should like to say one word upon the Russian memorandum. We make no reply to it, but we cannot allow it to pass without one sentence. I do so not in order to prolong the controversy, because the last thing I wish to do is to end these proceedings on a controversial note. But as one who has taken a very leading part in endeavoring to secure better relations between the East and West of Europe, I should like to utter one word of warning. I do not know what the effect of that memorandum was in Russia, but I know that the effect outside Russia was disastrous. It produced a reaction against the spirit of settlement, and if it were the last word to be uttered by the Russian Government, I should really despair of accomplishing much at The Hague. I am referring to the 11th of May memorandum.

"Russia needs the help of Europe and the world needs the produce which Russia can contribute. Russia needs the accumulated wealth and skill which the world can place at its command to restore it. Russia cannot recover for a generation without that help.

"Europe is more and more filling up the gap left by Russia. Russia needs more and more the help which the world can give and which the world is anxious to give. Either from pride or prejudice, we have not in the course of these discussions referred to the fact that even at this moment there are millions of people in Russia standing on the brink of famine and pestilence who may perish without help. If Russia needs help she can get it. But will the Russian delegation allow me in a friendly spirit to say one word? If Russia is to get help, Russia must not outrage the sentiments—or if they like let them call them the prejudices—of the world. There is real sympathy for her condition. What are those prejudices?

"I will just name one or two because they were all trampled upon in the memorandum of May 11. The first prejudice we have in Western Europe is this, that if you sell goods to a man you expect to get paid for them. The second is, that, if you lend money to a man and he promises to repay you, you expect that he will repay you. The third is this, that if you go to a man who has already lent you money and say, 'Will you lend me more?' he will say to you, 'Do you propose to repay me what I gave you?' And you say, 'No, it is a matter of principle with me not to repay.' There is the most extraordinary prejudice in the Western mind against lending any more money to that person. It is not a matter of principle. I know the revolutionary temper very well and the revolutionary temper never acknowledges anybody who has got principles unless he is revolutionary; but these prejudices are very deep rooted, they are rooted in the soil of the world, they are inherited from the ages and you cannot tear them out. When you are writing a letter asking for more credits—let me give one word of advice to anybody who does it: let him not in that letter enter into an eloquent exposition of the doctrine of repudiation of debts. It does not help you to get credits. It may be sound, very sound, but it is not diplomatic.

"Now, I have only one or two more words. Europe is anxious to help, Europe can help, Europe will help, but Russia must in her dealing with her accept the code of honor which is the inheritance which has come to us from centuries of generations of hard working and honest people and which has struck deep into the soil of the world. Not even the Russian tornado has split one fiber of a single root of those prejudices upon which our system depends, and I do implore, as a friend of Russian peace, as a friend of co-operation with Russia, as one who is in favor of going to the rescue of those great and gallant and brave people, I implore the Russian delegation when they come to The Hague not to go out of their way to trample upon these sentiments and principles which are deeply rooted in the very life of Europe.

"At Cannes we threw out the life line; we have not yet drawn it in, as I thought we might. Neither has it been snapped, neither has it been let go; it is still there. We would like to draw all the distressed, all the hungry, all the suffering in the East of Europe back to life with all the health that the accumulated energy and skill of other lands can give them.

"We have signed a pact of peace. It is a provisional one.



Is it for months—ah, it is more than that. We have decided on peace among the warring nations. Once you establish it the nations are not going back upon it. We have decided to give peace a trial on our hearthstones, and when she has been there for seven months we will not turn her out again.

"The psychological effect upon the people of the world will be electrical. A thrill of peace has gone through the veins of Europe, and you are not going to get any nation lifting up her hand against another nation again. There has been nothing more striking at this Conference than the deep, passionate desire not to have a rupture, not to have a quarrel, but to live in peace and amity all together. Believe me, peace is recovering her gentle sway over the hearts of men, and in this Conference, by this pact we have adopted today, we have paid homage to her sceptre."

The final reaction of the French delegation to the closing phases of the Genoa Conference was characteristically expressed in the following interview, printed in the New York Times of May 20:

M. Barthou stopped packing up long enough this afternoon to tell the correspondents what he thought of the situation.

"Lloyd George was the father of the Conference," he said, "and the inviting Powers the godfathers. The child was born at Cannes and taken to Genoa. Some said it was stillborn, others that it was worth looking after. This child in 40 days has not died and now it is to be taken to The Hague. The only trouble is it has too many relations. Large families are always troublesome.

"Some relations love the child, others hate it because they hate some other relations. But the child is thriving and the day may come when we will be proud to say we were its parents. We think the child will stand its journey to The Hague, but when it gets there we must be careful of its diet."

M. Barthou said he was glad there had been no break between the Allies.

"Some time ago," he said, "Lloyd George said to me that England and France were the pillars of the temple of peace. I replied that we must be careful not to let Delilah in. Delilah got in, but the temple still stands."

The concluding paragraph shows that Mr. Barthou's perception of the political situation is much more accurate than his knowledge of the Bible story of Samson.

### ***Italian-Russian Treaty.***

Chicherin and Schanzer stayed in Genoa after the Conference in order to complete if possible a commercial convention which would grant to Italy certain agricultural and oil zones in Southern Russia for exclusive exploitation by Italians. The Italians were to send workmen and tools to Russia to build roads, houses and factories. But the negotiations were checked by the fact that these improvements when completed would belong to the Soviet Republic.

At the moment of deadlock the press of May 22 carried the story that the Executive Committee of the Soviets approved on that day a decree determining the fundamental law concerning property rights. As summarized for the Associated Press the new statute denies rights under the law to previous owners whose property was expropriated on the grounds of revolutionary law up to the time of the issue of the decree, and does not give them the right to demand return of the property.

Foreigners under the decree have the same rights as Russian citizens, if they previously have secured permission from the proper authorities to operate in Russia. The right of the protection of the Russian Court is given to persons abroad suing on contracts and other matters in Russia, only in the event that Russian citizens similarly have access to the courts of the nationals who sue in Russia.

The limits within which capitalist industry might exist were defined liberally, but it was also made clear that Soviet law is supreme and that the Soviet Republic may nullify any agreement which is obviously harmful to the State.

The committee also unanimously passed the Government's new land policy, reiterating the principle of State ownership of all lands, but providing life tenure for peasants working it. The measure provides that none may buy or sell land, but that it may remain indefinitely in the possession of those cultivating it.

In addition to the above the new land law provides that persons may be deprived of land if they leave it voluntarily and fail to cultivate it for three consecutive years; if they try to sell or pawn their holdings; if they emigrate, or if the plots are wanted for State purposes.

Peasants temporarily unable to cultivate the land themselves may lease it for a maximum of the two sowing seasons.

Communes working the land themselves are permitted in certain cases to hire labor.

The convention was finally signed at Genoa on May 24 with the provision that it would not become operative until approved by the Italian Cabinet and the Moscow Government. This would enable the Italian delegates to attend the Hague Conference without acknowledging these commitments to be more than tentative. As a matter of fact the Soviet authorities did not approve of the Convention, so that it was futile. Maxim Litvinoff announced on June 16 the refusal of the Soviet Government to ratify, on the ground that it was too favorable to Italy, and that Italy had refused to sever relations with representatives of former Russian Governments.

## CHAPTER IV.

### EIGHTEENTH SESSION OF THE LEAGUE COUNCIL.

#### ***Institute of Agriculture.***

May 8, at Rome, began the Sixth Congress of the International Institute of Agriculture, founded by David Lubin of California, and established in 1905-06 by treaties between the United States and thirty-nine other Powers. Most of the nations of the world sent delegates to this Congress. Thirteen American representatives were in attendance.

#### ***United States Agrees to Palestinian Mandate.***

On May 9 it was announced at Washington that Great Britain and the United States had reached an agreement about the British mandate over Palestine. Americans are to have the same rights as British subjects or the nationals of any other country in the development of the natural resources of Palestine and the fact that their nation is not a member of the League of Nations will subject them to no disadvantage.

#### ***Upper Silesian Treaty.***

On May 9 it was announced that the long labors of the German-Polish negotiators, under the Presidency of Dr. Felix Calonder, representing the League of Nations, had resulted in an agreement upon a treaty comprising 600 articles. The treaty, which is to remain in force for fifteen years, accepts the Upper Silesian boundary line drawn by the League, and regulates minutely the industrial, financial and economic relations across that frontier. It is to be the first of a series of agreements. The execution of this treaty is to be supervised by a Joint Polish-German Commission under a chairman selected by the Council of the League of Nations. A similar Commission will settle disputes between nationals that may arise under the operation of the treaty.

The longest wrangle in the negotiation of this treaty arose from the application of Articles 92 and 297 of the Treaty of Versailles. These articles affect the question of Poland's right to put an end to German ownership of property within territory transferred from Germany to Poland. The final agreement on this matter was virtually forced by Dr. Calonder, and followed the following lines:

German property, which can be liquidated by Poland, is divided into two groups:

1. Industry, i. e., mines, blast furnaces, foundries, munitions factories and any concern employing over 600 workers.

2. Estates with an area of at least 246 acres. In the case of big industries, Poland is entitled to proceed with their liquidation during the next fifteen years only if the Mixed Commission is of opinion that expropriation is necessary for the maintenance of work. After fifteen years Poland will be entitled to liquidate any big industrial undertaking, provided that two years' notice is given to the owner.

In the case of the second group Poland is entitled to liquidate two-thirds of the estate, with the exception of forests, which cannot be liquidated. Poland must give notice of liquidation before January 1, 1925. Any difference which may arise from the application of this agreement will be submitted to the Permanent Court. The treaty was formally signed by Polish and German representatives on May 15.

### ***Eighteenth Session of the Council of the League of Nations, Geneva, May 11-17.***

The Council met Thursday, May 11, under the Presidency of Sr. Quinones de Leon.

Lord Balfour asked that the British mandate for Palestine be placed on the agenda, and hoped that this mandate might receive the approval of the Council at this session. The representatives of Italy and France were not ready to accede to the motion, and discussion of the matter was adjourned until a later day.

The Council approved of June 28 as the date of the first meeting of the Advisory Commission on Traffic in Women and Children, and voted that its share of the expenses of the Warsaw Health Conference (40,000 gold francs) be defrayed out of the item "Unforeseen Expenses" in the general funds of the League, with the understanding that this decision created no precedent.

1. **LATIN AMERICAN BUREAU IN THE SECRETARIAT**—In accordance with the action of the Second Assembly (cf. Second Year Book, page 175), with the report of a Subcommittee of the Secretariat that spent three months in Latin America, and with the recommendation of the Secretary-General, the Council voted that two persons, chosen from Latin America by the Secretary General, should constitute a Provisional Latin American Bureau in the Secretariat. They

are to become familiar with the work of the League and are to be removed to some place in Latin America if and when the Assembly so decides. Montevideo and Rio de Janeiro were mentioned with favor in the report. The only reason for this action is the desire to increase the contacts between Latin America and the League. It was pointed out that communication between Hispanic American countries and Geneva is more convenient and speedy than it is between the countries themselves.

2. *SALVADOR'S DEBT TO THE LEAGUE*—The delegate from China presented a report on Salvador's failure to contribute to the expenses of the League. The projected union of Central American States, in which Salvador was concerned, having failed, the question affected Salvador alone. The Salvadorean Government refused to pay the sums asked:

(a) Because it does not care to support conferences in which it has no interest;

(b) Because it does not wish to support the International Labor Office;

(c) Because the amounts demanded were fixed with Salvador's consent;

(d) Because Salvador cannot afford to incur such financial burdens.

The Council voted to refer this subject to the Third Assembly.

3. *EXPENSES OF THE PERMANENT COURT*—The Council approved the procedure, agreed upon by the President of the Court and the Secretary-General, for a monthly subvention from the League funds, deposited at a Hague bank, to meet the expenses of the Court and subject there to the control of the President and Registrar of the Court.

Out of these funds are to be paid the sums due to judges summoned for special services, and to technical assessors, called under the peace treaties to serve by virtue of a decision of the Court.

The Council voted to ask the Court to draw up a schedule of Court charges, based on similar charges in national courts. The Council referred to the Commission of Control the salary proposed for the Registrar of the Court, thinking it to be too large in comparison with similar salaries in national courts.

The Council instructed the Secretary-General to answer

an inquiry from President Loder about rank and titles of members of the Court.

The Council thought that as the Council and Assembly had not adopted any general rules on such a question, the Court could follow the same course. The question of precedence at official ceremonies would arise only at The Hague, and, therefore, that query should be disposed of by the Court and the Government of Her Majesty the Queen of Holland.

4. *THANKS FOR THE SILESIAN SETTLEMENT*—The Council voted to send its thanks, congratulations and a cash honorarium to M. Calonder, Chairman of the Upper Silesian Settlement Commission and thanks and gifts also to his assistants, MM. Hodac and Herold.

5. *CLAIM OF COLONEL SCHAEFFER'S WIDOW*—The Council authorized the Secretary-General to make a "payment of compassion" to Colonel Schaeffer's widow if she were found to be in need. Colonel Schaeffer was a member of the Albanian Commission of Inquiry and was found dead in his room at Geneva on January 16. The Secretary-General doubted whether his death was due to his services in Albania, and was certain that Mme. Schaeffer could have no legal claims upon the League.

6. *FRIDAY, MAY 12. MORNING SESSION. ALBANIA*—Two representatives of Albania were present. Lord Balfour presented the latest reports of the Albanian Commission of Inquiry, which were sent by vote of the Council to all member States. Lord Balfour said that no statesman, nation or organization could have done what the League had done in Albania through its Delimitation Commission and its Commission of Inquiry. This success arose from the fact that Albania and its neighbors were convinced that the League and its agents were working unselfishly.

The Albanian spokesman said that Greek brigand bands were moving toward Albanian villages on the southern frontier. The head of the Greek Secretariat of the League denied this. On the next day, May 13, the Council adopted a resolution drafted by Lord Balfour;

(a) Directing that, at the request of the Albanian Government, one member of the Commission of Inquiry, Professor Sederholm of Finland and his Secretary, should retain their offices and return to Albania;

(b) Recommending the Economic and Financial Com-

mission to accept the invitation of the Albanian Government to send experts to that country to study its opportunities for profitable investment of foreign capital, and to nominate to the Council itself persons suitable for the office of Financial Adviser to the Albanian Government;

(c) Reserving till the next session the Albanian request for other technical advisers. The Albanian Government had asked for financial, legal and educational advisers and for an adviser to help in reorganizing the courts. These should be drawn from neutral countries. The Ministry of Public Works already had foreign engineers, but wanted one or two experts as directors;

(d) Asking the Council of Ambassadors to act upon the last paragraphs in the report of the Commission of Inquiry which recommended that the Ambassadors ask the Greek Government to name a Greek member of the Delimitation Commission, in order to work for an impartial settlement of the frontier in Epirus;

(e) Thanking the Commission of Inquiry for its work, "which has tended to the pacification of the country, to the restoration of better relations between neighboring peoples and to the increase of the prestige of the League of Nations."

7. *MINORITIES IN ALBANIA*—Drafts for Albanian laws concerning minorities being now in process of preparation, the Council empowered the Brazilian representative to report on this question at the next session of the Council.

8. *MINORITIES IN LITHUANIA*—The Brazilian representative having been named at the January session of the Council to report on this question, now presented a Lithuanian declaration concerning the rights of minorities, which he and the Council accepted as satisfactory. The Polish Government, alleging mistreatment of the Polish minority in Lithuania, asked the Council by letter to secure the insertion of a right of option (sc. of citizenship) in the Lithuanian Minorities Statute. The Lithuanian delegate, before the Council, replied that Poland had no right to interfere in this discussion, and that, as an option clause had been included in the Peace Treaty between Russia and Lithuania, the proposal might be considered when Poland and Lithuania negotiated a peace treaty.

On the 15th the Council voted that the stipulations of the aforesaid Lithuanian declaration affecting religious, racial and linguistic minorities are placed under the guarantee of the League of Nations from the date of ratification by Lithuania.



9. *NATIONALITY OF INHABITANTS IN MANDATED AREAS, B AND C CLASSES*—Marquis Alberto Theodoli, Chairman of the Permanent Mandates Commission, appeared before the Council, and, in deference to a vote of the Council on October 10, 1921, presented to the Council a mass of information gathered by himself and some of his colleagues on the question of nationality of people living in mandated areas of the B and C Classes. The discussions had brought out the views of the British, Belgian, French and Japanese Governments, and there was little agreement. The inhabitants of mandated territories had a right to a nationality. To whom could they be attached?

It could not be to their former ruler, Germany, nor to the League of Nations, which has no subjects, nor to the five great Powers from whom each mandatory derives its rights.

The Japanese representative at Paris expressed the opinion that native inhabitants occupied a new position in international law, and should receive a new legal status.

France said: "These natives are French nationals." Belgium said: "They are Belgian subjects." Great Britain said: "They are protected persons."

In addition the status of non-native residents must be considered. The Council voted that the results of Marquis Theodoli's investigations be referred to the Mandates Commission with a request that the Commission should submit to the Council proposals for a solution of the problem.

10. *APPOINTMENT OF DR. PEET AS CHIEF COMMISSIONER ON THE DEPORTATION OF WOMEN AND CHILDREN IN TURKEY*—Dr. Peet having stated that he would accept this post if he were to be general representative of the League in Turkish territories and could be assured of at least a three-year term of office, the Council authorized the answer that the Council now had no duties in Turkish territories and could not tell what its future activities there would be. If the Council were to name a general commissioner Dr. Peet's name would be first and favorably considered. The Council hoped that he would accept the position as offered, and, pending his reply, the Council authorized the League of Nations' Commission of Inquiry to proceed with the reclamation of deported women and children in Turkey.

11. *FRIDAY, MAY 12. AFTERNOON SESSIONS. LATVIAN AND ESTONIAN MINORITIES*—On account of the

illness of the Brazilian representative, who had this matter in charge, the Council deferred this subject until the next meeting of the Council. On the 15th the Council took similar action regarding Estonian minorities

**12. ADMISSION OF STATES NOT MEMBERS, NOR MENTIONED IN THE ANNEX TO THE COVENANT, TO THE PERMANENT COURT**—The President of the Permanent Court having requested the Council to prescribe, in accordance with Article 35 of the Fundamental Statute of the Court, the conditions under which the Court shall be open to non-member States, the Council approved a report by Marquis Imperiali on this question, and adopted this resolution, in its final form on May 17:

(a) The Court shall be open to a non-member State that shall have previously deposited with the Registrar of the Court a declaration accepting the jurisdiction of the Court, in accordance with the Covenant and subject to the terms of the Court Statute and Rules of Procedure, and undertaking to carry out in good faith the decision of the Court, not resorting to war against a State complying with the decision.

(b) The declaration may be particular, i. e., accepting jurisdiction for one dispute; or general, accepting jurisdiction for all disputes, or for definite classes of disputes. A State, making such declaration, may accept the jurisdiction of the Court as compulsory; but, in each case, such acceptance may not be relied upon as regards member States and States mentioned in the Annex to the Covenant—that have signed the optional (compulsory jurisdiction) clause of the Fundamental Statute of the Court. (See Official Journal for January-February, 1921, Pages 14-25.)

(c) Copies of declaration made under this resolution shall be sent to all member States, to States mentioned in the Annex to the Covenant and to other States as the Court may direct, and to the Secretary-General of the League.

(d) The Council reserves the right to rescind or amend this resolution; such possible action shall have no *ex postfacto* effect upon disputes already pending in the Court.

(e) Questions about validity or effect of a declaration under this resolution are to be decided by the Court.

**13. EXPENSES OF THE INTERNATIONAL ARMY OF 1920-1921**—Sweden and Denmark have asked to be reimbursed for excess expenditures for troops organized to go to

Vilna in 1920-1921. This expeditionary force was dissolved in March, 1921, without going to Vilna.

The Council decided that the sums asked for should be paid, but as the expedition had been planned for the benefit of Poland and Lithuania, those States should be asked by the Secretary-General to make good for these expenses and for others which they had already been asked to assume.

**14. QUESTIONS CONCERNING LABOR INTERESTS REFERRED TO THE PERMANENT COURT**—The Council voted at the instance of the French Government that the Permanent Court should be invited to give an "advisory opinion" under the terms of Article 14 of the Covenant on this question:

"Does the competence of the International Labor Organization extend to the international regulation of the conditions of labor for persons employed in agriculture?"

In the antecedent discussion the Italian delegate thought that the Governing Body of the International Labor Organization ought first to be consulted.

M. Albert Thomas, Director of the Labor Office, preferred that the question should read thus:

"Are agricultural workers covered by the provisions of Part 13 of the Treaty of Peace?"

The decision of the Council included a request to the Labor Office to give the Court all necessary assistance.

The Council voted, at the request of the Labor Organization, that the Permanent Court should also be asked to give an advisory opinion on the question whether the Labor delegate for the Netherlands at the Third Session of the International Labor Conference was nominated in accordance with Paragraph 3, Article 389, of the Treaty of Versailles.

**15. SATURDAY, MAY 13. RUSSIAN REFUGEES AND RUSSIAN FAMINE**—The Council listened to Dr. Nansen's report, in which he insisted that he must have for evacuation expenses a subscription of £30,000, of which the British Government had conditionally guaranteed £10,000. The A. R. A. (Mr. Hoover) had also conditionally promised \$25,000.

On the following Wednesday Japan pledged \$15,000 on condition that the remainder of the £20,000 was subscribed.

On the 16th Dr. Nansen asked the Council to approve a proposal from the Norwegian Government that the Council should appoint a Commission of Inquiry to make an exhaustive report on the Russian famine. Lord Balfour moved that the

Genoa Conference be asked to undertake the inquiry, and the Council approved the Balfour motion, although Dr. Nansen vigorously opposed it. Dr. Nansen was obliged to content himself with a general assurance from different members that if the Genoa Conference would not act, the Council would reconsider the matter.

**16. REPORT OF ECONOMIC AND FINANCIAL COMMISSION**—M. Leon Bourgeois presented the report of the work of this Commission, with resolutions, which the Council accepted and adopted.

This action sanctioned the decisions of the Economic Section of the Committee:

(a) To examine into the validity of arbitration clauses in commercial contracts, and to name a committee of experts to advise on legal and commercial points.

(b) To request the Secretary-General to consult the Dutch Government about collaborating with the Commission in calling a conference on unification of laws relating to bills of exchange.

(c) To study further the possibility of regional as well as general agreements for securing equitable treatment for the commerce of member States (Article XXIII) of the Covenant).

(d) To circulate among member States a rough draft of a proposed convention for suppression of unfair competition (see Official Journal, June, 1922, Pages 628-632), and to ask member States to adhere to the Industrial Property Convention (Washington, 1911).

The Council also approved the action of the Financial Section of the Commission in studying the problems of double taxation, in publishing volumes of information on public finance, in preparing for an intelligent assignment of technical experts where needed, in continuing the international credits scheme (in which M. Le Neveu takes the place of Sir Drummond Drummond-Fraser, retired), in trying to locate lost, stolen or destroyed securities and in planning for the financial reconstruction of Austria. In the latter connection the Austrian Government had, for domestic reasons, requested the postponement of the appointment of a Financial Adviser to direct the execution of the plan agreed upon.

**17. GENOA CONFERENCE**—The Council voted that if resolutions of the Genoa Conference are referred to the League the President and Secretary-General are authorized to send them to the technical organizations of the League.

18. *MEMBERSHIP OF ECONOMIC SECTION OF COMMISSION*—The Council provided for addition of new members to this section to restore the original number of twelve, and sent a note of sympathy to M. Gustave Ador, President of the Commission, who was ill.

19. *THE DANZIG CONSTITUTION*—General Haking, League High Commissioner in Danzig, reported that on April 4 the Danzig Volkstag met to vote on the Council's requirement that the Free City's Constitution should be amended so as to shorten the terms of office for Senators. Forty-seven of the 120 members left the House when the question was put. Of the remainder 60 voted for and 13 against the amendment. The Constitutional rules called for a two-thirds majority, and a two-thirds quorum. The High Commissioner ruled that the Constitution did not govern this vote, as he had not yet accepted that document. The Volkstag refused to vote again on the matter, and the High Commissioner on May 11, declared the Constitution amended and adopted, in accordance with Article 103 of the Treaty of Versailles.

The Council approved his action.

20. *DANZIG IN GENERAL*—The Danzig Senate having requested the removal of restrictions upon the manufacture of air craft in Danzig and Commissioner Haking having argued that his authority in the Free City should place Danzig in a different class from that of Germany, the Council voted to refer the question to the Permanent Commission on Armaments.

The Air Sub-Committee of that Commission reported that the prohibition upon manufacture of any war material in Danzig ought to be maintained, and the Council approved that opinion.

The Council voted that the High Commissioner should confer with the Governments of Danzig and Poland concerning the transfer of certain former German imperial property to the use of the Danzig Harbor Board.

The Council postponed until its next session action on negotiations between the Danzig Harbor Board and the Danzig and Polish Governments concerning the control and administration of the Vistula River within the territory of the Free City.

Both Danzig and Poland appealed to the Council against the decision of the High Commissioner concerning Danzig's expulsion of Polish nationals. The Council approved a report

by the Japanese representative to the effect that, under the Polish-Danzig Treaty of November 9, 1920, the decision of the High Commissioner in such a case would be final.

Under the Polish-Danzig Treaty of November 9, 1920, Poland has control of the foreign relations of Danzig. Danzig before that time had made an agreement with Germany for direct judicial relations, but this agreement had not been ratified when the Polish-Danzig Treaty supervened and set the agreement aside. The Polish Government did not wish to complete such an agreement between Danzig and Germany unless there were a similar agreement between Poland and Germany. The High Commissioner was appealed to and decided that the original German-Danzig agreement was set aside, but that Poland ought to give Danzig "such facilities for arranging a treaty with Germany, dealing with judicial affairs, as she proposes to arrange herself with Germany."

The Polish position seemed to be that while Poland could not get direct judicial relations with Germany Danzig should not have them. The Council asked the representatives of Poland and Danzig to talk about this matter with M. Adatei (Japan), the representative of the Council.

On May 17 the Council was pleased to hear that Danzig had withdrawn its appeal against the Commissioner's decision, and that the Polish Government would extend to Danzig its own provisional arrangement with Germany concerning judicial relations, and would approve simultaneous negotiations on the part of Danzig and Poland for a final agreement with Germany.

A similar solution was obtained for a dispute in which both Poland and Danzig had appealed against a decision of the High Commissioner concerning Poland's right to conduct the foreign relations of the Free City. Representatives of Danzig and Poland conferred with M. Adatei about it, and concluded to accept the Commissioner's definitions. The essence of his decision was that Poland could not be expected to do anything for Danzig that would be detrimental to Polish interests and must not have a foreign policy that would be injurious to the welfare of Danzig. The Council approved the solution and congratulated both parties on their agreement.

An appeal by Poland against the Commissioner's decision concerning the legal status of Polish State property, officials and vessels at Danzig was considered and referred, like the other similar disputes to a conference. M. Adatei was able to report on the 17th that both parties had agreed on all points,

and that the Polish appeal was withdrawn. The gist of the agreement was that Polish Government archives and offices at Danzig are to be inviolable, that Polish officials in Danzig in performance of their duties are responsible only to their Polish superiors, and that the Polish diplomatic representative in Danzig shall appoint his own staff, including the chief of the Polish Postal and Telegraphic Service at Danzig and the chief of the Polish Customs there. General Haking, the High Commissioner, regretted that the time of the Council had been so taken up with appeals from his decisions, all of which appeals had been settled by the two Governments in conference and in accordance with his decisions. The printing of only one of these appeals had cost the League 6,000 francs. He recommended that, after a decision by the High Commissioner, the two parties should not appeal to the Council until they had at least tried to reach an agreement between themselves.

The Council adopted this recommendation.

### 21. *COMMISSION ON INTELLECTUAL CO-OPERATION*

—In accordance with a resolution of the Second Assembly (September 21, 1921), the Council named the following eleven members of this commission and left the twelfth place vacant to be filled later by some citizen of the United States.

The Committee is composed of Prof. Albert Einstein of the University of Berlin, Mme. Marie Curie-Sklodowska, the radium expert, of the University of Paris; Dr. Henri Bergson, member of the French Academy; Miss Bonnevie, Professor of Zoology in the University of Christiania; G. A. Murray, Professor of Greek in Oxford University; F. Ruffini of the University of Turin; Dr. de Torres Quevedo, director of the electrical laboratory at the University of Madrid; J. Destree of Belgium; A. de Castro, director of the Faculty of Medicine in the University of Rio de Janeiro; D. N. Banerjee, Professor of Political Economy in the University of Calcutta, and G. de Reynold, Professor of French Literature in the University of Berne.

The vacancy was filled by the appointment of Dr. George Ellery Hale, director of the Mount Wilson Observatory at Pasadena, California (announced June 23). Dr. Inazo Nitobe of the Secretariat became Secretary of this Committee.

22. *MAY 16. THE VILNA DISPUTE*—Representatives of Poland and Lithuania appeared again before the Council concerning the unsettled dispute over the Polish seizure of Vilna. No boundary line had been agreed upon, 30,000 people in a neutral zone were living in administrative anarchy.

Lithuanians were persecuting Poles in Kovno, and Poles were persecuting Lithuanians in Vilna. The two countries had no diplomatic, consular, postal or telegraphic relations. The Council voted that M. Hymans should once more meet the two parties in conference and try to secure an agreement on a line of demarcation for administrative purposes and on a question of amnesty. On the 17th the Council, on M. Hymans's recommendation, voted to send a commission to consider a provisional demarcation for the purpose of facilitating civil and judicial administration and to report to the Council. The Council asked both Governments to give amnesty to political offenders.

23. *BUDGET FOR 1923*—The Council instructed the Secretary-General to send the Budget for 1923, with any comments made by the Commission of Control, to all member States without waiting for previous approval by the Council.

24. *ENGLISH LOAN TO CZECHO-SLOVAKIA*—The contract for this loan of \$50,000,000 from the Barings contained clauses providing for possible arbitration by the Council. This is the first international financial contract drawn under the terms recommended by the Brussels Conference in 1920. The Council voted that the Financial Commission should study the matter and advise the Council whether it should approve the arrangements proposed.

25. *UPPER SILESIA*—The Council appointed M. Calonder to be President of the Upper Silesian Mixed Committee to administer the German-Polish Convention and M. Kaeckenbeeck to be President of the Upper Silesian Court of Arbitration. The subject of the protection of minorities in Upper Silesia was postponed until the next session.

M. Calonder received the thanks and congratulations of the Council upon the completion of his services in obtaining the peaceful assent of Germany and Poland to the Upper Silesian Treaty which had been signed the day before (May 15). This agreement came out of six months of complicated negotiations, which these two men, appointed by the League, piloted to a successful conclusion. The treaty or convention fills 302 pages with 606 articles, annexes and protocol. It is longer than the Treaty of Versailles and is said to be the longest diplomatic document ever drawn.

It is described as a "charter of the economic and social life of Upper Silesia" for the next fifteen years. It is the most important political achievement of the League, since it peace-



fully accomplished a settlement, in which Germans and Poles had clashed in arms and the Supreme Council had been hopelessly deadlocked.

It was most fitting that MM. Calonder and Kaeckenbeeck should be named to the two chief official posts for the administration of the Convention, and that the Convention itself should recognize the League as the arbiter of any future disputes. (Cf., Second Year Book, Pages 278, 279)

This convention was summarized in the monthly summary of the League for May, 1922, thus

The first part, General Regulations, is divided into three chapters: the first lays down the system of law obtaining in the two parts of the plebiscite area; the second deals with the protection of acquired individual rights, and the third determines the conditions in which expropriation of big industrial or landed property may or may not take place.

The second part is concerned with question of nationality and domicile, and the steps by which inhabitants of the plebiscite area who wish to change their nationality can do so.

The third part deals with the question of protection of minorities and lays down the solution of numerous and difficult questions concerning particularly religion, schooling and language. It also indicates the methods by which the rights of minorities can be safeguarded. Article 72 declares that "these stipulations constitute obligations of an international character, placed under the guarantee of the League of Nations."

The fourth part is concerned with social questions, notably the organization of Employers' and Workmen's unions, as well as of collective contracts and social insurance.

The fifth part, dealing with economic questions, is divided into eight chapters dealing respectively with the subjects of customs duties, frontier permits, currency and banking systems, mineral products, distribution of water and electric power, post and telegraphs and finally railways, whose regulation is provided for in great detail.

The sixth and last part deals with the organization of the Mixed Commission and the Arbitral Tribunal stipulated by the decision of the Conference of Ambassadors. The Mixed Commission is an organ of conciliation; the Arbitral Tribunal is a judicial organ. These two organs have been created for a period of fifteen years. The Mixed Commission is intended to mediate difficulties that might arise between the two countries as a result of applying the convention. For questions of a technical nature, or requiring special knowledge such as, for instance, labor questions, the Mixed Commission will be assisted by experts, notably by a Consultative Labor Committee, whose chairman will be appointed by the Governing Board of the International Labor Office. The Arbitral Tribunal, on the other hand, will primarily be an organ for interpreting the Convention in cases where individual rights are concerned.

Its powers extend not only to civil but also to administrative questions.

The Mixed Commission is to be composed of two members of each of the two countries and of a chairman of some other nationality; the Arbitral Tribunal will be composed of an arbiter from each of the countries and a president of some other nationality. The chairman and the president are to be appointed by the Council of the League of Nations. This is not the only duty that will fall upon the Council of the League. There are other important duties, notably where the protection of minorities is concerned. Two articles of the Convention establish the competence of the Permanent Court of International Justice for determining, on the one hand, in certain cases whether new laws can be substituted for existing laws of German origin in Polish Upper Silesia; on the other to solve differences of opinion that might arise from the putting into execution of the expropriation clauses in the Convention.

26 *REPATRIATION OF WAR PRISONERS*—Dr. Nausen reported that about 4,000 war prisoners in Russia were still to be brought home. The Turkish war prisoners brought from Vladivostok, and for a year in the custody of Greece, had been sent home after Constantinople and Angora had both promised that these men would not be enrolled in any armed or auxiliary force.

27. *OPIUM TRAFFIC*—M Hymans presented a report from the Opium Traffic Commission (see April 29). The Council voted:

(a) That the fifteen States not yet enforcing The Hague Opium Convention of 1912, and especially Persia, Switzerland and Turkey, be asked to do so at once;

(b) That all Governments be asked to adopt and require the use of the Commission's form of Importation Certificate simultaneously, not later than September 1, 1922, except that Governments in Asia might act not later than January 1, 1923;

(c) That the Health Organization should continue to ascertain the need of dangerous drugs in all countries for medical and scientific purposes, and that all Governments should be asked to send to the Secretary-General before January, 1923, statements of their domestic annual requirements of opium and its derivatives, tabulated in analytical form as suggested;

(d) That the Chinese Government should ask the International Opium Association in Peking to add a member to the Chinese Commission of Investigation, and that this member be authorized to submit through the Chinese Government an independent personal report to the League;

(e) That the Council should, if need be, ask Governments of States adhering to the Conventions to promote investigations within their territories by Commissions representing both the Government concerned and the League (this would involve preliminary agreements among the Governments);

(f) That co-operation be secured between Japan and the Chinese Maritime Customs to trace sources of illicit traffic, the Japanese Government having promised a searching inquiry on its own part. Discrepancies between Japanese import statistics and export statistics of certain other countries (U. S. A.) to be cleared up;

(g) That in order to facilitate the general control of the traffic in dangerous drugs:

1. The information with regard to the manufacture of cocaine should be completed as soon as possible;

2. The Council of the League should invite the Governments to furnish the Secretariat with as close an estimate as possible of the annual requirements of cocaine in their respective countries;

3. The governments should arrange for the mutual exchange of full information concerning all seizures made by their respective Customs and Police authorities;

4. The governments should consider the advisability of undertaking educational work as to the dangers of indulgence in the drugs;

5. As experience shows that, in consequence of the enormous profits realized by the illicit traffic in dangerous drugs, pecuniary penalties are no longer a sufficient deterrent, the Governments should consider the question of providing for a substantial sentence of imprisonment as an alternative penalty;

6. That the list of drugs not covered by the convention of 1912, communicated by the French Government, should be referred to the interested Governments for their observations; and that pending the receipt of such information, the question of holding a further international Conference should be postponed.

(h) That the offer of the League of Red Cross Societies to invite the National Red Cross Societies which are interested in the opium question to undertake educational work as to the evil results of the abuse of opium should be accepted.

(i) That the Council should invite the Governments, in

making their annual report to the League on opium and other dangerous drugs, to adopt the form prepared by the Advisory Committee; to furnish the report not later than July 1st (in the case of Western countries); and October 1st (in the case of Eastern countries); and to make the report in one or other of the official languages of the League.

28. *GERMAN PROTEST*—The German Government sent a protest against the action of the Council at its Seventeenth Session (March 27, see above, vote No. 7) in assuring the Saar Governing Commission of a probably uninterrupted tenure of office until January, 1925. Germany called this action a modification of the Treaty of Versailles. The Council authorized the Secretary-General to deny that the treaty had been broken, since the Council had expressly reserved its right of annual appointment.

29. *MAY 17. BRITISH MANDATE FOR PALESTINE*—At the opening of this Eighteenth Session, Lord Balfour had expressed a hope that the Council might be willing to express its approval of the terms of the Palestine mandate. Such action would be somewhat informal, since this and other mandates of the A Class could not receive full legal validity until the Treaty of Sevres is ratified. The United States had signified its approval of the Palestinian mandate, and Jewish leaders urged speedy action, but the Pope had shown opposition, the Moslem majority in Palestine was very antagonistic, and France did not wish to see the Palestinian mandate dissociated from the Syrian mandate. The attitude of the United States toward that mandate had not yet been determined. Meanwhile the French administration in Syria was facing increasing difficulties. Arab opposition was well organized, and well nigh unanimous. The Syrian Moslem organization protested to President Harding against "making mandated people enslaved colonists," and petitioned the Council of the League for the withdrawal of the French mandate. Damascus was placed under martial law in April, and some of the Arab leaders were imprisoned. At this session Lord Balfour made an important speech, stating that delay was not due to a change in the general policy adopted by the Allied and Associated Powers and the League of Nations. Whatever might happen to the Treaty of Sevres, those parts of the Treaty dealing with mandates would remain entirely unaffected. No one need be under the least fear, and no one need entertain the least hope, he added, that those broad lines of policy would

suffer any alterations. The delay which had already taken place was due to the attitude of the United States, which very naturally claimed a full voice in the question of mandates. Now, however, that the United States had approved the British mandate, certain questions of a purely technical nature remained to be settled by the Powers signatory to the Treaty of Sevres.

The concluding paragraphs of his speech were as follows:

"You will see, therefore, that the delay, however serious may be its practical effects, in no sense touches any of the broad questions of principle in which the public are interested. Many of them, I think, are in error as to the powers of the League of Nations, or of this Council, which for many purposes represents the League; they are in error (I say) as to the powers which these bodies possess in regard to mandates.

"The mandates are not our creation. The mandates are neither made by the League, nor can they, in substance, be altered by the League. Our duties are of two kinds. It is our business, in the first place, to see that the specific and detailed terms of the mandates are in accordance with the decisions come to by the Allied and Associated Powers in Article XXII of the Treaty of Versailles; and, in the second place, to see that, in carrying out those mandates, the mandatory power shall be under the supervision—not the control, but the supervision—of the League of Nations, which possess an admirable organization through which it can obtain the fullest information as to the method in which each mandatory power fulfills the duties which are entrusted to it.

"Remember that a mandate is a self-imposed limitation by the conquerors on the sovereignty which they obtained over conquered territories. It is imposed by the Allied and Associated Powers themselves in the interests of what they conceived to be the general welfare of mankind; and they have asked the League of Nations to assist them in seeing that this policy should be carried into effect. But the League of Nations is not the author of the policy, but its instrument. It is not they who have invented the system of mandates; it is not they who have laid down the general lines on which the three classes of mandates are framed. Their duty, let me repeat, is to see, in the first place, that the terms of the mandates conform to the principles of the covenant, and in the second place, that these terms shall, in fact, regulate the policy of the mandatory Powers in the mandated territories.

"Now, it is clear from this statement that both those who hope and those who fear that what, I believe, has been called the 'Balfour declaration' is going to suffer substantial modifications are in error. The fears are not justified; the hopes are not justified. The general lines of policy stand, and must stand. I am aware, of course, that a certain wave of anxiety has affected some sections of opinion lest this mandatory system, as applied to Palestine, should have an injurious effect upon the religious interest of this or that great Christian body. I confess to feeling, I will not say indignation—that would be too strong a word—but surprise, that any human being should suppose that Christian interests should suffer by the transfer of power in Palestine from a Mohammedan to a Christian power; and, frankly, my surprise is not diminished when I reflect that that Christian power is Great Britain. I venture, boldly, to claim for my country, and I do not believe that anybody who listens to me or who does me the honor to read what I say, will contest the claim, that no power has shown itself more equitable in its treatment of different religious creeds, more anxious to avoid offending religious susceptibilities. We have had immense experience in dealing with religions other than Christian. And as regards the various forms of the Christian religion, everybody will admit who knows anything about the practice of my country that we have shown the utmost fairness and the utmost generosity in dealing even with those denominations from which the majority of our population widely differ.

"We are a Protestant country, but I boldly say that I do not believe that in any country—Protestant or Catholic—had the Catholic religion received fairer or more generous treatment than it has within the British Isles. Now, is it credible that when you have, by the fortune of war, taken away from a Mohammedan country and put under a Christian mandatory places which have sacred associations for large bodies of Christian believers, is it credible (I ask) that these should suffer by the transfer? And remember that whatever is done in Palestine, now or in the future, is done in the light of day. The machinery of the Mandates Commission, the machinery of the Council of the League of Nations, the machinery of the Assembly of the League, are all contrived to make it quite impossible that any transaction of general interest should take place except in the full glare of the noonday sun of public opinion. And to suppose that, in those circumstances, there is

the least chance of deliberate injustice or careless administration being either practiced or permitted in Palestine, seems to me one of the most extravagant and baseless fears by which any body of men were ever assailed.

"I have explained, I am afraid, at great length, but I hope with adequate detail and lucidity, exactly the position in which, as I conceive it, the general mandate question for Palestine and the Near East stands. I have explained why all the regrettable delay has occurred; I have explained why the final juridical settlement of the whole question is still in the future; I have explained that this in no sense involves a modification of the lines of Palestinian policy laid down by the Allied and Associated Powers, and emphatically endorsed by America. I have indicated also why it is that I am most anxious that a step forward should be taken as soon as possible in the interests of Palestinian administration. You will permit me, therefore, M. le President, to conclude by asking my colleagues to agree to a proposal under which this question shall come up again before a future meeting of the Council, and I would suggest that that meeting should be held within the next six weeks."

The French and Italian representatives urged that a longer interval was necessary in order that all the A and B mandates might be considered and replies from the United States received

The Council voted that mandates should be discussed at a later session to take place not later than July 15.

On May 17 it was announced at Washington that the United States and France had reached an agreement about the terms of the French mandate (B class) for Togoland and Kamerun, along the lines of the agreement with Great Britain about Palestine, and with Japan in the Yap treaty. The essence of the agreement is the assurance that all nationals shall have equal opportunity within the mandated area with French nationals.

**80. WARSAW HEALTH CONFERENCE RESOLUTIONS**—Polish representatives appeared before the Council to speak of the Conference which at the request of the Polish Government the League Health Organization had conducted at Warsaw March 20-28. It was hoped that the resolutions adopted at the Conference in Warsaw would be considered by the Genoa Conference. The Council instructed the Secretary-General to keep in touch with interested Governments at Genoa

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and to inform the members of the Council of any decisions at Genoa touching the Warsaw resolutions.

31. *REPORT OF THE PERMANENT COMMISSION ON ARMAMENTS*—This Commission, having just completed its seventh session, submitted a report on certain questions referred to it by the Council.

The Temporary Mixed Commission on Reduction of Armaments had asked for a definition of the term "war material."

The Permanent Commission, in agreement with the Committee of Jurists of the Conference of Ambassadors, decided that the only way to attach a definite meaning to "munitions and war material," the private manufacture of which is condemned by Article VIII of the Covenant, is to draw up a list of materials serving exclusively for war purposes. The Commission, however, points out that the list can never be final and is only of relative value, since modern war involves the utilization of all the material resources of a country. Even articles manufactured for peaceful purposes may in war-time become material exclusively used in war.

As for the further resolutions of the Second Assembly concerning the destruction of surplus war supplies left over from the war, the Commission pointed out that this had already been done by the various governments concerned, and that the only question remaining was that of war supplies possessed by private individuals or states that had no right to have them. This question comes within the scope of the St. Germain Arms Traffic Convention and is, in the opinion of the Commission, a further urgent argument in favor of the ratification of this Convention by the governments concerned. The Council voted to ask the Secretariat to prepare a report on the export of arms.

32. *FINANCES OF DANZIG*—The Financial Commission reported on the finances of Danzig, which lack a balanced budget, partly because so many questions of title to property are in dispute. The deficit piled up in about two years is said to be nearly 80,000,000 marks, and France and England have presented bills for the expenses of Allied troops who occupied Danzig after the fighting stopped.

The Council voted that the Danzig Government should have the report and should, after examining it, in conjunction with the High Commissioner, communicate through him with the Council.



33. *GERMAN MINORITIES IN POLAND*—The first case, involving the League's obligation to see that there is no unjust discrimination against racial, linguistic or religious minorities, came before the Council on the appeal of a number of German organizations in Poland (Bydgoszcz—Bromberg), which claimed that several thousand families of German origin had been ordered by Poland to leave their farms on short notice. The petitions presented by the German farmers show difficulties arising from Polish laws for dividing large estates, from tenants of farms on State lands who held long leases granted by the Prussian Government at absurdly low rents, and from farmers who had been colonized in Posen by the Prussian Government in an attempt to drive Poles out of land ownership in that province. Now that the shoe is on the other foot, what is the legal status of such colonists? Also Polish laws had excluded from communal offices persons not speaking Polish; but the majority of the inhabitants might be German. Moreover, the Lutheran churches had regarded the King of Prussia as their *summus episcopus*. What should be their relation to the Polish Republic?

The Council discussed at length the issues involved, requested the Polish Government to delay any action until it could come to a decision on the matter, and asked the Polish representative to discuss with the Secretary-General several questions of law which might possibly be referred to the Permanent Court. The issues involved are of extreme importance, for they go straight to the root of the legal status of minorities in various countries.

34. *NEXT SESSION*—The Council voted that in addition to the special session already ordered for about July 15, the next ordinary session should be convened about a week before the beginning of the Third Assembly.

At the time of the Eighteenth Session of the Council the membership of the newly named Advisory Committee on Traffic in Women and Children was announced. This Committee was authorized at the Sixteenth Session of the Council (January 14, see *supra*, vote No. 27), and was asked to meet for its first session on June 28.

This Committee was appointed on the recommendation of the International Conference, which met last summer in Geneva, and for the purpose of advising the Council on all matters connected with the execution of the Convention for

the Suppression of the Traffic. The Committee consists of representatives of nine States:

Dr. Estrid Hein (Denmark), M. Regnault (France), Mr. S. W. Harris (Great Britain), Marquis Paniero Paulucci de Calboli (Italy), M. S. Okuyama (Japan), M. Stanislaus Posner (Poland), M. Margaritescu Greciana (Rumania), M. Avelino Montero Rios y Villegas (Spain), Dr. Paulina Luisi (Uruguay), and of five assessors representing international organizations:

Miss Baker (International Bureau for the Suppression of the Traffic in Women and Children), Mme. de Ste. Croix (International Women's Organizations), Mme. Baronne de Montenach (Catholic Association for the Protection of Girls), Mr. Cohen (Jewish Association for the Protection of Girls), Mme. Studer-Steinhauslin (Federation of National Unions for the Protection of Girls).

#### ***Chilean-Peruvian Conference.***

On May 15, Secretary Hughes opened the Washington Conference of Chile and Peru to settle, if possible, the Tacna-Arica controversy.

An unofficial observer, representing Bolivia, asked that the rights and interests of that country should also be taken into consideration. That country demands a port on the Pacific coast. On the 18th both Peruvians and Chileans agreed that Bolivian claims had no rightful place in this Conference. A formal note from the Bolivian Government presented to the Peruvian and Chilean delegations at Washington on the 20th received the same answer.

## CHAPTER V.

### REPARATIONS—THE HAGUE CONFERENCE BEGINS— MANDATES—DISARMAMENT.

#### ***League Commission on Conciliation.***

In accordance with the decision of the Second Assembly, this Commission met on May 23d to study Norwegian and Swedish proposals concerning the employment of conciliation in international disputes. The Commission consisted of M. Adatci (Japan), Chairman; M. Hold von Ferneck (Austria), M. Charles de Visscher (Belgium), M. Gil Fortoul (Venezuela), and M. Unden (Sweden).

#### ***International Conference of Bankers.***

The Bankers' Commission, called together under the auspices of the Reparations Commission, met in Paris on May 24 to consider the conditions under which Germany might have an international loan in order to meet its reparations payments. The Commission decided to begin by making a detailed study of Germany's finances and industrial situation. On May 26 (Friday) the Commission voted that a billion dollar loan to Germany could not be considered unless Germany would accept the terms of the Reparations Commission before May 31 and would give guarantees that the printing of paper marks should be stopped at once. The Commission then adjourned until Wednesday, May 31.

#### ***Rumania Appeals to France.***

The utterances of the Soviet representatives at Genoa concerning the Rumanian title to Bessarabia brought Premier Bratiano of Rumania to Paris on May 24 in order to ask for French help in supplying arms, munitions and officers to Rumania if attacked by Red armies. He wanted such help as was given to Poland, and he found the French Cabinet most favorable to his plea.

#### ***Genoa Conference in the House of Commons.***

On May 25 Mr. Lloyd George addressed the House of Commons on the Genoa Conference and received a vote of confi-

dence by 235 votes against 26. Among his critics Lord Robert Cecil spoke of the necessity of getting the United States into such conferences and thought it worth while to abandon The Hague Conference if any kind of economic council could be devised which the United States would join. Lloyd George replied: "We have invited, pleaded and used every method except force to get America to Genoa and likewise to The Hague. If the noble lord can do anything more, we welcome his assistance."

### ***An International Commercial Court.***

The Executive Committee of the International Chamber of Commerce at Paris, May 26, voted to establish, probably at The Hague, an international court for the settlement of commercial disputes. Rules for the procedure of the court were approved. They provide for decisions by arbitration or conciliation.

Etienne Clementel, President of the International Chamber of Commerce, will be the first chairman of the court, in which the United States and virtually all European countries will be represented. The Committee also took friendly cognizance of the work of the Genoa Conference on transportation and international railway reorganization.

### ***Reparations.***

On May 29 the Reparations Commission received from the German Government a reply to its ultimatum of March 21.

First, the Government promised that full information concerning German finances and budgets should be kept before the Commission, in which case the Reparations Commission had already indicated its willingness to withdraw its demand for a commission of control, sitting in Germany.

Second, the Government agreed to stop the inflation of its currency, pointing out at the same time that its ability to do so will depend on obtaining an international loan.

Third, the Government promises the enactment of a law to prevent the export of capital and to compel, wherever possible, the return of exported capital to Germany.

Fourth, the Government declared that legislation has already assured the autonomy of the Reichsbank.

Fifth, great reductions in appropriations have already been made.

The note of the German Government was virtually approved by the Reichstag on May 31. On the same day the Reparations Commission voted to accept the German reply and to grant a partial moratorium on payments for 1922. This means that Germany would hand over this year 720,000,000 gold marks in cash plus the payments in kind.

This decision of the Reparations Commission was officially transmitted on the following morning to the Bankers' Commission, from which the German Government hoped to obtain an international loan that would enable it to make the payments indicated. The Bankers' Commission on June 1 asked the Reparations Commission to say whether the schedule of German payments fixed in London in 1921 (May 5) is unalterable. Having in mind the partial moratorium already granted to Germany for 1922, the Bankers' Commission wanted precise information as to the possibility of reducing and determining the annual payments made by Germany during the years which the suggested loan would cover. It was no secret that the majority opinion among the bankers was that a loan for Germany could not be floated while the present schedule of payments was affirmed. On June 6 and 7 the Reparations Commission debated the request. On the 7th the English, Italian and Belgian delegates voted to give the bankers full liberty to discuss reductions. Mr. Boyden, the "observer" from the United States, upheld the same opinion. The French delegate, M. Dubois, dissented. He acted under specific instructions from M. Poincare, who feared that a reduction in rate of yearly payments would introduce a demand for a reduction in the total amount of reparations due.

In accordance with this vote of three to one the Reparations Commission informed the Bankers' Commission (June 7) that the latter body is free to examine "any of the conditions which may be necessary for raising an external loan by Germany, including such as relate to the general re-establishment of her external credit. Indeed, any suggestion which the Committee may be able to offer from this point of view, without of course engaging the responsibility of the Commission, could not fail to be of the greatest value."

Owing to the attitude assumed by France, Germany's chief creditor, the Bankers' Commission, decided on June 9 that a loan to Germany was not feasible, and adjourned on the 10th, expressing its readiness to meet again at the call of the Reparations Commission, whenever changes in the situation might suggest a profitable renewal of discussion.

The final statement of the bankers to the Reparations Commission was printed in the New York Times on June 11.

Briefly summarized, this report declared that if France does not wish for an inquiry into the conditions precedent to a re-establishment of Germany's external credit, the bankers did not feel justified in proceeding with the inquiry. Investors would not be interested in a German loan disconnected from a permanent settlement of the reparations problem.

The present reparations arrangements are bad because they are uncertain. A definite plan, instead of the variable one established by the Treaty of Versailles is necessary. An agreement about the public indebtedness of the Allied countries is also essential. The belief is expressed that the German obligations might better be converted from a debt to Governments into a debt to private investors, based not upon penalties but upon the general credit of debtor countries.

Mr. J. P. Morgan issued a personal statement to the effect that American participation in an international loan to Germany was contingent upon "unanimity among the lenders and the establishment of the credit of the borrower." Neither of these conditions could be met.

In connection with these events it may be noted that at the same time (June 9-12) the Bulgarian Government notified the Reparations Commission that it would not accept commission control over Bulgarian finances. The Government asked for a three years' moratorium on payments.

### ***Japanese Troops to Leave Hankow in China. Fulfillment of Washington Agreement.***

On May 30 the Chinese Government at Peking was officially informed by the Japanese Minister that, "in conformity with the spirit of the resolutions adopted at the Washington Conference," Japan would withdraw its troops from Hankow, the chief industrial city of the Yangtse valley in Central China. The Japanese garrison had been kept there for more than ten years. Similar information was formally given to the American Ambassador in Tokio.

### ***The United States and the Hague Conference.***

It was announced at Washington on May 31 that the representatives of various Powers concerned in the Genoa Conference had informally urged our Government to name dele-

gates to sit with the Commissions at the coming Hague Conference. It was asserted that the work of these commissions would be entirely economic in character. The first commission, it was explained, would be of a somewhat preliminary character. It will consist of representatives of all the nations that participated at Genoa, with the exception of Russia and Germany, and its function will be to determine upon an economic and financial policy with respect to Russia. The second commission, of more permanent character, is to be made up of representatives of the nations that participated at Genoa, and would include representatives of Russia and Germany. Secretary Hughes held that political questions could not be eliminated and that our Government is unwilling to become involved in such discussions.

#### ***United States Accepts Invitation to Help Investigate Atrocities in Turkey.***

On June 3 Secretary Hughes for the United States Government accepted the invitation from Great Britain, in which France and Italy concurred, to join in investigating the reports of Turkish atrocities incidental to the Greco-Turkish war in Anatolia. Secretary Hughes proposed that a separate commission should investigate counter-charges brought by Turks against Greeks, and that the two commissions should unite in presenting a comprehensive report. Meanwhile the Angora Government of Kemal Pasha had announced that it would not permit such investigations, and was already expelling agents of the American Near East Relief from Anatolia. At the same time the Turkish Foreign Minister at Constantinople, Izzet Pasha, asserted that the deportations were necessary as a military measure, and that the Turks had suffered more than the Greeks.

It is pertinent to recall in this connection that in October, 1919, a Commission of American, British, French and Italian officers rendered a report upon their investigations into charges of cruelty made against the Greeks when they occupied Smyrna. The report blamed the Greeks and their commanding general. It recommended that Allied troops should occupy Smyrna. The Powers paid no attention to that report.

### ***The Hague Conference and France.***

On June 2 M. Poincare sent to all Powers invited to the Hague Conference, including the United States, a note\* defining the French attitude toward Russia and toward the coming Conference.

He demanded that all the Powers should unite in declaring that, first of all, Moscow must withdraw the Russian memorandum of May 11 and then must accept flatly recognition of Russia's pre-war debt, her war debt and the return of foreign-owned private property nationalized in Russia; then the Russians must drop their counter-claims for 50,000,000,000 gold rubles; they must realize that they can get no Government loan now.

When the Soviets have accepted these conditions he is willing that experts should investigate Russian conditions with a view to the reorganization of agriculture there and the reconstruction of Russian productions. If the Russian Government refuses to facilitate such inquiries, such conduct would prove that it is impossible to negotiate with it.

The only immediate official comment on the French note was issued from Rome, where it was observed that the Hague Conference must deal only with the technical solution of the questions of Russian debts, credits to Russia and foreign properties in Russia.

It was also pointed out that M. Barthou did not object to the agenda arranged for the Hague Conference, and did not ask that the Russians withdraw their memorandum of May 11, it being understood that the experts would be free to deal with the three questions submitted to them independently of any discussion or proposal at Genoa.

On June 11 the British Foreign Office replied to the French note.

The memorandum agrees that the Hague Conference shall avoid political and diplomatic questions. It refuses to ask the Russians to disavow their statement of May 11, holding that the latter utterance has been superseded by later declarations, and that the invitation to the Russians, in which the French joined, to come to The Hague, contained no reference to withdrawing the Russian memorandum.

With reference to the French contention that foreign

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\*The complete English text of this note was published in the New York Times of June 4.



claimants have "the right to demand the return of private property" the memorandum says:

"Whether the Russian Government makes restitution of private property alienated from its owners or pays compensation for it is a matter solely for the Russian Government."

To suggest, as the French memorandum does, that the non-Russian commission should elaborate a complete scheme of Russian reconstruction without reference to the Russian delegation and should then present it is an ultimatum for Russia to take or leave, is to make a travesty of the purposes entrusted by the Genoa Conference to the Hague Commission.

The British memorandum expounds at length the duties of the experts at the Hague Conference, in the sense of the brief statement issued from Rome a week earlier.

On June 12, M. Poincaré answered the British note of the 11th. He insisted that confiscated private property in Russia must be either restored or paid for. Soviet Russia being unable to pay for anything, it is necessary to demand restoration. He proposed that the Allies should not go to The Hague without a previous agreement among themselves.

"The British Government seems to suggest that if the three questions which must be submitted to The Hague experts do not receive a satisfactory solution Russia will be delivered over to 'concession hunters.' That is to say, practically to pillage, and that foreign Governments will have no means of stopping such a movement.

"If the British Government by that means that lawful holders of concessions must be dispossessed and replaced by others, such spoliation would arouse the unanimous reprobation of the civilized nations and would make resumption of normal relations with Russia impossible. It would inevitably lead to reprisals against the citizens of states which would not have forbidden, or would have encouraged, their citizens to engage in such criminal speculations.

"In order to avoid such deplorable consequences the nations which may send experts to The Hague should obviously agree on certain guiding principles; otherwise it is to be feared that the approaching meeting will have no better results than the Genoa Conference."

Not until the 13th of June did the French Government finally appoint a delegation to go to The Hague for the opening of the Conference on the 15th, and they were at first commissioned to attend only the preliminary sessions.

***International Federation of League of Nations Societies.***

This organization held its sixth Congress at Prag, June 3-7, 1922. The associations of 16 nations were represented, viz.: Austria, Belgium, China, Czechoslovakia, France, Germany, Great Britain, Greece, Hungary, Italy, Japan, Netherlands, Poland, Russia, Sweden, Switzerland, Yugoslavia. A representative of the Association of Portugal arrived later. The membership of the Federation at that time included 34 associations. At least 30 other associations are more or less closely affiliated with the Federation.

The President of the German Association of Czechoslovakia for the League of Nations, at the opening session of the Congress, wanted to pronounce a speech of welcome. A delicate situation was at once created, because of the strained relations between Czechs and Germans in Bohemia. The Czecho-Slovak Association was the host of the Congress, which felt compelled to limit welcoming speakers to national representatives. An agreement was reached later whereby the German Association was permitted to take part in the Congress and to cast one of the five votes assigned to Czechoslovakia.

The Congress admitted to membership in the Federation seven Associations, representing Armenia, Bulgaria, Denmark, Estonia, Eastern Ukraine, Western Ukraine (i. e. Eastern Galicia), and, after a hot debate, Turkey.

The discussions of the Congress centered around its committees. These were the special Committees on Minorities and Races, created at a congress in Vienna in 1921, and five regular Committees on Internal Questions, Propaganda, Judicial Questions, Armaments, and Political Questions, respectively.

When the special Committee on Minorities presented the recommendations that it had unanimously approved, a lively debate produced three resolutions, one for immediate affirmative action, one for further discussion with the purpose of amending, and one for postponement for three months. The Congress adopted the first resolution by a vote of 55 against 40, with five abstentions. Great Britain and Italy were among the abstainers, evidently thinking that the Committee recommendations were too drastic. Immediately the delegations of Rumania, Poland, Czechoslovakia, and Yugoslavia withdrew from the Assembly, protesting that the Committee's resolutions were prejudicial to national sovereignty and that the second and third resolutions ought to have been considered first. As

the Czechoslovakian delegation was host to the Congress, some thought that the Congress must adjourn. The situation was saved by the discovery that the invitations to the Congress had been given by the city of Prag. Then a long conciliatory procedure was begun to induce the recalcitrants, and especially the Czechoslovaks, to resume their places in the assembly, but the effort seems to have been futile.

The resolutions of the Committee, the adoption of which caused this wrangle, called for

- a. reciprocal agreements for the protection of minorities, "pending the elaboration of a general convention by the Assembly of the League of Nations";
- b. Inquiry by the League Council concerning enforcement of treaties for protection of minorities, reference of infringements to the Permanent Court, and advice to the League what to do with any State not complying with the Court decisions.
- c. Racial minorities occupying definitely separate locations should have as much autonomy as is "compatible with the general public order."
- d. League Council ought to create a permanent Commission on Minorities.
- e. League Council should place its information on this subject before the Assembly.
- f. Minority languages should be "employed in all official documents in conjunction with the language of the State."
- g. Instruction in school to minority children in their mother tongue, "where reasonably practicable."
- h. Generous interpretation of minority treaties.
- i. League Council should use powers of League to shield from slaughter the minorities of Asiatic Turkey, and this Federation should appeal to States for such action.

Among the many resolutions approved by the Congress some of the outstanding ones are these:

- a. To promote the interests of the Labor Organization of the League in Labor circles;
- b. To ask the Secretariat for text books for school children on international cooperation and the League; to put a League of Nations chapter into all manuals of history and civics;

- c. To celebrate the 18th of May and one Sunday annually as Peace Days;
- d. To adopt as a device: A map of the world on a blue rectangular field, the world being surrounded by a ring of white five-pointed stars, equal in number to the League membership;
- e. To admit Germany to the League;
- f. To organize International Summer Schools;
- g. To increase the number of elective members of the Council to six;
- h. To induce Governments to sign the Optional Clause (obligatory jurisdiction) of the Statute of the Permanent Court;
- i. To urge the prohibition of the private manufacture of arms;
- j. To recommend recognition of Eastern Galicia as a separate country.

### ***British-French Guarantee Treaty, and Russian-Czechoslovakian Treaty.***

Upon the initiative of the British Government, June 5, it was agreed to renew discussion of the Anglo-French Guarantee Treaty, outlined in January at Cannes by Lloyd George and Briand, and, since the latter's fall from power, left in a state of suspended animation.

On June 5 at Prague, Czechoslovakia and Russia signed a treaty of amity and commerce. The treaty withholds *de jure* recognition of the Soviet Government, but pledges both sides to strict neutrality if a third party attacks either of the signatory powers. The Soviet Government's monopoly of all foreign trade in Russia is expressly acknowledged.

### ***United States Soldiers at the Coblenz Bridge-head.***

Secretary of War Weeks announced on June 5 that about 1,000 American troops would remain in the Rhineland for an indefinite period. This decision was the answer to requests from Germany, Great Britain, Belgium and France that some of our troops be permitted to remain. The Germans seemed to believe that the American force served as a restraint upon the French. The French had the precisely identical notion of a restraint upon the Germans. The French also seemed to value

the presence of the Americans as witnesses of the peculiar difficulties under which the French are laboring.

### ***England Begins Ratification of Washington Treaties.***

On June 14, Lord Lee of Fareham, introduced into the House of Lords a bill to make effective two of the treaties signed at Washington in February, one for the limitation of naval armament, the other for the protection of neutrals and noncombatants at sea and against the use of noxious gases and chemicals in war. It was already known that the Admiralty had begun to apply the agreements concerning cessation of construction and scrapping of equipment. It was announced on June 12 that the other Washington treaties would be ratified by act of the Privy Council without submission to Parliament.

### ***The Empire of Oil.***

Word was sent from Teheran on June 14 that a bill offering concessions covering oil fields in the northern provinces to the Standard Oil Company had been amended so as to empower Parliament to authorize negotiations with other American corporations, one of which was already bidding.

### ***Baltic Disarmament.***

On June 14 Maxim Litvinoff for Soviet Russia addressed a note to the Governments of Poland, Latvia, Esthonia and Finland inviting them to suggest a date for a conference with Russia on the proportionate reduction of armaments by Russia and the Baltic States. The replies of Poland, Latvia and Finland, as given out at Moscow on June 30, were not encouraging.

### ***The World Court.***

The first business session of the Permanent Court of International Justice began on June 15. Two judges were absent on account of illness and were replaced by deputy judges. Two questions were on the docket.

1. Does the competence of the international labor organization extend to the international regulation of conditions of labor of persons employed in agriculture?

2. Was the workers' delegate for the Netherlands at the third session of the International Labor Conference nominated according to Paragraph 3, Article 389, of the Versailles Treaty?

By the middle of July the sister Tribunal of Arbitration must pronounce on the dispute between the United States and Norway concerning damages claimed by Norwegian subjects as a result of requisitioning by the United States Shipping Board. Thus three international bodies were assembled in the long untenanted Peace Palace at the same time, viz.: the Permanent Court, the Arbitral Court and The Hague Conference on Russia.

The Court first considered various matters of procedure and administration, such as the finances of the Court, the status of its personnel, the use of its seal, and the accessibility of the Court to States not members of the League. In March the various Governments were asked how they would be pleased to receive direct communications from the Court. Nineteen answers had been received; some indicating their Foreign Offices as the channel of communication, others preferring their diplomatic representatives at The Hague. Secretary Hughes' reply, dated May 31, was as follows:

"The Department of State will be glad to receive any communications from the Court transmitted directly to the Department or through the American Legation at The Hague. Any letters rogatory or commission for taking testimony which may be received will be forwarded to the appropriate executive authorities in the United States in order that they may be brought to the attention of the courts for such action as it may be possible to take with reference to them under the laws of this country . . ."

### ***Hague Conference Begins.***

On June 15 The Hague Conference assembled in the Carnegie Peace Palace at The Hague. Twenty-five nations were represented.\* The opening of the Conference was marked by a foolish effort on the part of Foreign Minister van Karnebeek to exclude the newspaper correspondents from the session and from the building, an effort which was completely abandoned after a few days. The Conference decided to form a general Committee on Russia, and to recommend the appointment of

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\*The countries are Austria, Belgium, Great Britain, Bulgaria, Denmark, Spain, Estonia, Finland, France, Greece, Hungary, Italy, Japan, Latvia, Lithuania, Luxemburg, Norway, Holland, Poland, Portugal, Rumania, Serbia, Sweden, Switzerland and Czechoslovakia. Russia, whose delegates arrived June 26 was the twenty-sixth nation.

three sub-committees to discuss separately the questions of Russian debts, Russian credits and confiscated alien-owned property in Russia.

It had been intended to limit membership in each of the three sub-committees to eleven, but the smaller nations objected and each chairman was authorized to increase his company to thirteen. The delegates agreed that they had come to deal with facts, not with principles, that all their conclusions must be referred to their Governments; that their only business was to prepare themselves to discuss facts with the Russians. The Russian delegation, expected at The Hague on the 26th, was announced from Moscow on the 16th to consist of Maxim Litvinoff, chairman, and Leonid Krassin, Christian Rakovsky (Ukrainian Premier), and MM. Krastinsky and Sokolnikoff of the Department of Finance, accompanied by eleven technical experts.

Monday, June 19, the Conference named the members of its four committees. Under the influence of Jonkheer van Karnebeek it was agreed to restore the original limit of eleven for the membership of each of the three economic committees. The French delegation announced that its Government would permit it to remain in conference with the understanding that the Conference is to be strictly non-political, and is to discuss no principles but only facts. They would consent to meet the Russians, but would quit the Conference if the Russians refused to abide by the rules thus laid down.

It was decided that the three subjects of debts, credits and foreign-owned property should be considered simultaneously.

In the absence of the United States Minister to the Netherlands the First Secretary of the American Legation at The Hague, Louis A. Sussdorf, asked Jonkheer van Karnebeek, president of the Conference, to supply him with full information about the Conference for the benefit of his Government, which Mr. van Karnebeek promised to do. The newspapers on the 22d reported the arrival of Col. H. W. Boyle at The Hague and his residence in the hotel where the Russian delegation is expected. He is the representative of the Royal Shell Oil interests. The same authority revealed the presence of many agents of companies having investments in Russia, among them Mr. Leslie Urquhart of the Russian-Asiatic Consolidated, another oil company.

At the meetings of the sub-commissions on June 22 it was agreed to avoid any appearance of dictation to the Russians,

but to leave the initiative to them. In the sub-commission on private property the discussion showed that the French and Belgians, as at Genoa, would demand either the return of confiscated property or the payment of its full value, while the English and Italians were willing to accept the Soviet principle that private property no longer exists in Russia and to proceed on the principle of long leases for property without absolute title.

The first detachment of the Russian delegation, with the spokesman, Maxim Litvinoff, reached The Hague—and Scheveningen, where the delegations are quartered—on the 26th of June. Edwin L. James in the New York Times characteristically pictured his advent thus:

"Like the proverbial bull in the china shop and looking the part, M. Litvinoff, head of the Russian delegation, breezed into the fragile Hague conference today, bowled over Foreign Minister van Karnebeck's plan for secrecy, broke all rules about talking politics, refused to accept the Powers' plans for the program of conference work and announced that Russia, standing on her May 11 memorandum, had come to hear what the other nations had to offer in the way of credits for Moscow."

On the next morning, June 27, the game began just where the Genoa Conference did, except that Chicherin had demanded a loan. Litvinoff demanded "credits" for Russian purchases abroad, the shippers looking for payment to their own Governments.

The reply he received was that any grant of credits would depend on what Soviet Russia agreed to do about debts and foreign-owned property.

Litvinoff promised to prepare and submit a statement of what would be needed for the reconstruction of Russia. Having in mind the conditions which the French and Belgians at Genoa had favored for the restriction of The Hague Conference, Litvinoff formally raised the question whether the French and Belgian delegations had any right to take part in The Hague Conference. He was told that all the delegations were there as experts, not as plenipotentiaries, and must refer their conclusions back to their Governments for approval.

On the 28th Litvinoff said that before Soviet Russia would recognize Russian debts it must be assured of a long moratorium.

As reported by Mr. E. L. James in the New York Times,



M. Alphand, the French head of the Debts Subcommission, told Litvinoff the Powers wanted a frank statement from the Soviets as to what they were prepared to do about the debts under the following heads: First, Russian Government loans; second, provincial, railroad and utility loans guaranteed by the Government; third, such loans not so guaranteed; fourth, Russian treasury bills; fifth, other Russian commitments.

M. Alphand explained that of all the nations France had the largest interest in this matter and for consideration of the representatives of the Russian workers and peasants said that most of the Russian bonds were held by French peasants who had confided their hard-earned savings to Russia.

Then he asked the Russians to supply a detailed budget statement. It was when Litvinoff protested that this was none of the Commission's business the chairman said that certainly the Soviet Government could not ask credits without telling about its income.

The Russian chief then promised to ask Moscow, adding that at Genoa the Russians had shown a disposition to make concessions on the debts, but that if the Soviets could not be assured of a moratorium they would take back all they said at Genoa. "Don't suppose any one expects Russia to start paying anything now," he said. "We must be assured of a moratorium."

Litvinoff asked and received a promise from all the delegations to give figures concerning Russian obligations held in their respective countries.

In the sub-commission on foreign-owned private property in Russia on June 29 the head of the British delegation, Sir Philip Lloyd-Greame, asked for definite propositions from the Russians concerning two classes of confiscated property. In the first group he would place the industrial and commercial enterprises, such as engineering work, textile factories, public utility work, mines, timber and oil undertakings and banks and distributing trades.

This class would embrace the extremely large American interests involved, including the International Harvester Company's great plant near Moscow, the National City Bank's branches in Petrograd and Moscow, the Westinghouse and Singer Companies' plants and the Standard Oil holdings in the Caucasus.

In the second class the scheme places immovable property, such as lands, houses, buildings and forests, in so far as they

are not included in the first category. In addition to these groups, Sir Philip explained, it would be necessary to deal with miscellaneous items, such as trade and private debts, bank balances and deposits, shares in companies and personal property, but he urged that the question of the restoration of possession in the case of the industrial and commercial groups receive first consideration.

Litvinoff said that any program was welcome if introduced by ample credits for the Soviet Republic. At the same time it must be understood that the Soviets would not abandon their political doctrines about private property, and that their present deeds would be due to considerations of expediency alone.

This remark provoked such violent protests that Litvinoff hastened to say that he was taken too seriously.

On the 30th, before the Credits Committee, Litvinoff asked for credits for the Soviet Republic amounting to \$1,612,000,000. This is \$612,000,000 more than Chicherin asked for at Genoa. Litvinoff estimated that Moscow needed for transport \$525,000,000; for agriculture, \$462,000,000; for industries, \$375,000,000, and for commercial and bank credits, \$250,000,000. When Litvinoff remarked that unless Soviet Russia got these credits the holders of Russian securities would get nothing, the chairman of the committee adjourned the meeting.

### ***Reparations.***

On June 15 the Reparation Commission published a note sent the preceding day to the German Chancellor stating the Commission's wishes for definite information with regard to a forced loan within Germany, the covering of the deficit of the public service's budgets and the autonomy of the Reichsbank, with a view to checking inflation of the currency.

On the following day the Commission's Committee on Guarantees went to Berlin to arrange, under the terms for the moratorium, for supervising receipts and expenditures of obtain financial and commercial statistics.\*

On the same day, June 16, the Reparations Commission approved a revised convention for German deliveries of material for reconstruction of devastated France. This is a procedure under the Wiesbaden Agreement, which had been awaiting ratification in the German and French legislatures. The

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\*The Committee on Guarantees consists of the chief financial experts of all the Allied delegations on the Reparations Commission. The chairman is Eugene Mauclere of France.

convention facilitates placing orders directly with German manufacturers without waiting for the sanctions of many official agencies. On the 27th the French Cabinet approved of the plan to the extent of accepting the equivalent of \$1,500,000,000 in labor and raw materials for reconstruction in France, provided that all German plans for new construction in Germany should be postponed until this French construction had been accomplished.

During 1922 France has the right to 950,000,000 gold marks' worth of goods, but as yet few payments in kind have been made on account of the opposition of French manufacturers and of the delays due to awkward official machinery.

### ***Germany and the League.***

On June 16 it was announced that the British Government had officially inquired whether Germany would be willing to apply for admission to the League in September. The German answer indicated a willingness to apply if Germany could be previously assured of immediate admission to permanent membership in the Council and of admission to the League without the imposition of any special conditions. It transpired, however, that France, while not objecting to Germany's entrance into the League, would veto Germany's appearance in the Council.

The German Government, therefore, allowed it to be proclaimed (July 12) that it would make no application to the third Assembly.

### ***Papal Protest Against Terms of British Mandate in Palestine.***

The Secretary of State at the Vatican sent to the League of Nations the following protest against some of the provisions of the British mandate in Palestine.) The protest was published on June 16. For terms of the mandate, see the First Year Book, pages 62-64.

"Cardinal Gasparri, Secretary of State at the Vatican, submits the following observations to the Council of the League of Nations concerning the project for a British mandate for Palestine, which was forwarded to the League on December 7, 1920, by the Earl of Balfour.

"The Holy See is not opposed to Jews in Palestine having civil rights equal to those possessed by other nationals and

creeds, but it cannot agree to (1) Jews being given a privileged and preponderating position vis-a-vis over other sections of the population; (2) nor to rights of Christians being inadequately safeguarded.

"On the first point, although the project in its preamble with regard to the constitution of a national home for Jews guarantees nothing will be done which can prejudice the civil and religious rights of non-Jewish communities at present in Palestine, all the same, in one body of the articles, it conveys the impression of wishing to set up an absolute preponderance, economic, administrative and political, in favor of the Jewish element to the detriment of other nationalities.

"Thus Article 4 recognizes as a public, legal institution a Jewish commission which is no less than the very powerful Zionist organization. This Jewish Commission is set up side by side with the Palestine Administration and very large powers are given it in all questions relative 'to development of the country.'

"Article 6 favors immigration and Article 7 nationalization of Jews. Care is taken to provide them with means of becoming a compact community, including grants of undeveloped State territory (Article 6).

"Another article gives them the preference in the construction of public works.

"Thus the project, aiming as it does at absolute Jewish preponderance over all other peoples of Palestine and, moreover, apparently constituting a grave breach of existing rights of other nationalities, does not appear to be in consonance with Article 23 of the Treaty of Versailles, which established the nature and purpose of each mandate. According to that article, a mandate is protection assumed by a Power over peoples 'not yet capable of self-government in the particularly difficult conditions of the modern world' and has for its object 'the holy mission of civilization, well being and development of its peoples.' All this would manifestly be opposed to a mandate which would be the instrument for subordination of indigenous peoples for the benefit of another nationality.

"As regards the second point, one should especially consider Article 14 of the project, which creates in conformity with Article 95 of the Treaty of Sevres 'a special commission to study and settle all questions and rights relative to different religious creeds.' This Commission (to be nominated by Great

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Britain, with a President chosen by the Council of the League of Nations) is composed of members whose number is not fixed in the project, but among whom are to be represented (in what proportion is not stated) all religions whose interests are at stake. Now it is obvious that the Holy See cannot consent to the interests of Catholics being delegated to representatives who have not been selected by the competent hierarchical authorities. Moreover, upon this Commission is imposed the duty 'of insuring that certain holy places and buildings or religious sites which are looked upon with special veneration by adherents of a particular religion shall be entrusted to the permanent control of appropriate organizations representative of adherents of the religion in question.'

"This article seems to be so vaguely formulated that it gives rise to many difficulties. It is not specified how these suitable organizations are to be constituted, nor is any indication given of the limits of control referred to and of what is to be done in regard to places looked on with special veneration by the adherents of diverse religions (Catholics and schismatics for instance).

"In this case, since it is a question of sanctuaries with which several creeds are concerned, one can sorrowfully foresee that a bitter conflict will arise in the midst of a commission composed of representatives of all religions, a conflict which will undoubtedly result in a coalition of all the other members against those of the creed which eventually gains possession of the Holy of Holies, a conflict which will prevent a serene and impartial judgment.

"Finally, it is to be observed that in the terms of the mandate, 'choice of holy places and buildings or religious sites which will thus be disposed of will be made by the Commission, subject to the approval of the mandaary.' It is obvious that this last clause would give to Great Britain excessive power, apart from the fact that it seems to be contrary to Article 95 of the Treaty of Sevres.

"For all these reasons Article 14 seems to be unacceptable and the Holy See ventures to suggest that the members of the Commission should be consults in the Holy Land of those Powers who are represented on the Council of the League of Nations."

***Mandate for Palestine Not Approved  
in House of Lords.***

On June 21 the British House of Lords by a vote of 60 to 29 condemned the terms of the British mandate for Palestine. The resolution adopted (moved by Lord Islington) declared that the proposed mandate was contrary to the wishes of the majority of the people of Palestine, violated the promises of the Government to them, and should not be accepted by the Council of the League.

There was also objection to the policy of the Government in granting concessions to a Russian Jew named Pincus Ruthenberg for developing the water power of the Upper Jordan in a large scheme of economic development. Other opposition sprang from those who, on account of India, feared to offend Mohammedan sentiment, and from those who voiced the Roman Catholic objections to Jewish authority in Palestine. Earl Balfour made his first speech in the House of Lords in defense of the proposed mandate. He said that the British Government and the League of Nations are strong enough to hold the scales of justice evenly between Arabs and Jews, and defended the Ruthenberg concession as an advantageous contract, unanimously approved by the experts of the Colonial Office.

***Class B Mandates.***

On June 29 the French Foreign Office gave to Ambassador Herrick revised drafts of Class B mandates for Togoland, the Kameruns and Syria, prepared to meet all objections raised by Secretary Hughes. The contentious matter lay in the clauses providing for equality of treatment for all nations, for prohibition of State monopolies and for complete freedom of action for missionaries.

***British Reply to Papal Protest Against  
Palestinian Mandate.***

The British Cabinet's reply to Cardinal Gasparri's letter of protest (June 16) was addressed to the Secretary-General of the League and published on July 3. Great Britain proposed that an International Commission, on which should sit representatives of the three religions of Palestine and of all great Powers interested in that country, should be empowered to decide questions about rights in the holy places. Decisions must be subject to the approval of the League Council, and reports by the Commission are to be submitted to the Council of the League for confirmation.

### ***Palestinian Mandate Approved by House of Commons.***

On July 4 the House of Commons by a vote of 292 to 35 approved the policy of the British Government toward Palestine, including the matter of the Ruthenberg concession, and the recognition of the Zionist effort to create in Palestine a national home for the Jewish people. On the previous day representatives of Moslems in Palestine sent from Cairo telegrams to the Turkish Sultan, the Emir of Afghanistan, the Shah of Persia and the Kings of Egypt, Hedjaz and Mesopotamia (Iraq) asking these potentates to protest at once to the League Council and the British Government against the creation of a Jewish home land in Palestine.

### ***Washington Treaties in the French and British Chambers.***

The French Cabinet and a majority of Deputies were in favor of ratifying the Washington treaties in June or prior to adjournment on July 14, but the committee to which the Naval Limitation Treaty was referred proved to be so evenly balanced that the Conservatives and Royalists opposed to the treaties elected the Rapporteur by a majority of one. The hope of ratification during the summer session was therefore abandoned on July 8. On the other hand, the Washington Treaties Bill passed the second reading in the House of Commons on July 7.

### ***Conference of British and French Premiers.***

Messrs. Poincare and Lloyd George with Earl Balfour and French Ambassador St. Aulaire, Sir Robert Horne, Chancellor of the Exchequer, and a group of experts held a conference in Downing Street, London, on Monday afternoon, June 19.

Four main items were discussed—reparations, The Hague Conference, the Tangier situation and Anglo-French differences in the Near East.

The agreement reached on reparations specifies there shall be no coercive measures taken against Germany until the Reparation Commission further inquires into the state of German finances.

The Commission then can decide whether it is possible for Germany to balance her budget and restore the value of the mark by internal loans, more taxation and increased economy.

Concerning The Hague meeting, the Premiers affirmed their support of the plans and limitations already described, but herein M. Poincare abandoned the previous demands of the French Government that no trade negotiations should take place unless Soviet Russia would first guarantee the debts of Imperial Russia.

Upon Tangier it was agreed to accept Spain's proposal for a conference of Great Britain, France and Spain. It was tentatively promised that the Premiers would meet again about the end of July.

It was decided to hasten the appointment of a committee to investigate the charges of atrocities in Asia Minor. This is the committee which Kemal Pasha had already said that he would not permit to go into Asia Minor.

#### ***Austro-Hungarian Boundary.***

The League Secretariat announced on June 18 that Austria and Hungary had agreed to ask the League Council to delimit their joint frontier, each Government promising to abide by the Council's decision. Austria stipulated that the decisions must be unanimous.

#### ***United States and German Dyes.***

The United States State Department decided on December 14, 1921, that it had no authority to maintain the Textile Alliance in Paris as the purchasing and distributing agent for all German dyes delivered to the Reparation Commission and allotted by the Commission to the United States.

Throughout the first half of 1922 the Commission continued to deal with the Alliance as before, but on June 18 it was announced that unless before June 30 the United States Government should designate some agent to receive the American share (a one-fifth interest in German dyes—between \$6,000,000 and \$8,000,000 worth annually) the Commission would cease to allot any dyes to the United States. On the 27th the State Department notified the Reparation Commission through Mr. Roland W. Boyden that the United States Government would like to have the arrangement with the Textile Alliance continued until Congress had determined a permanent policy.



### ***Approval of Washington Treaties.***

On June 19 the Canadian House of Commons unanimously approved the treaties framed at the Washington Conference.

On the next day the British House of Lords passed the second reading of the "Treaties of Washington Act," and Lord Lee said that the British Government was already putting the treaties into effect without waiting for ratification by other Powers.

"We are doing this because without mutual trust and confidence the Washington agreements would inevitably break down and the world would be thrown back into a welter of suspicion and naval competition. It has been suggested the Government ought to proceed with more caution in scrapping ships and stopping building operations, but they consider it unthinkable that any civilized nation should go back on its agreements, and that, as the greatest naval Power, Great Britain ought to set an example and lead the way."

On the same day, June 20, the Associated Press was informed in Paris that Premier Poincare and his associates were in favor of proceeding to the ratification of the treaties.

### ***Japan Pledges Withdrawal from Siberia and Approves Washington Treaties.***

The Yap Treaty between the United States and Japan was ratified by the Prince Regent on June 23. On June 24 the statement was given to the Associated Press at Tokio that the Diplomatic Advisory Council had named October 30, 1922, as the date when the last Japanese soldiers must be withdrawn from the maritime province of Siberia.

On the same day the Japanese Privy Council approved the Four Power Treaty for naval limitations, and recommended it to the Prince Regent for ratification, together with the agreement against poison gas and restricting the use of submarines. The Privy Council thought the ratio of ships permitted to Japan was disadvantageous to Japan, but that the Japanese delegates at Washington made as good terms as they could. Official information of these events reached Washington on the 26th.

Negotiations between Japan and China for carrying out all provisions of the Shantung Treaty began at Peking on June 29. On July 1 the Japanese Privy Council approved the Nine Power Treaty about China and the Chinese Tariff Treaty. This

completed affirmative action by Japan on all the Washington treaties. On July 2 the Japanese garrison left Hankow and on the 3d the Japanese Admiralty announced that Port Arthur would be abandoned as a naval base.

### ***First Public Working Session of the World Court, June 22, 1922.***

The first case brought before the Permanent Court was the question whether the Netherlands delegate to the Third International Labor Conference was elected in accordance with the provisions of the Versailles Treaty.

International labor delegates protested against the manner in which Holland selected her labor member of the Conference, claiming this member should have been appointed after the Government had conferred with the largest labor organization in Holland, known as the General Association of Trade Unions. Instead of this, Holland designated the member after consultation with three of the smaller Dutch labor organizations, which, it is charged, had especially combined so as to show in the aggregate a larger membership than Holland's main organization.

The Dutch Government tried to be impartial by appointing the workers' delegate from one group and the technical advisers from the other. Three Governments and the International Labor Office asked to be heard on this question. It was regarded in labor circles as making a precedent, since similar objections had been raised in the First Labor Conference against workers' delegates from Argentina, Japan and South Africa, and, in the Third Conference, against Japan, Latvia and Poland. The Court's decision, July 31, was in favor of the action of the Dutch Government.

### ***Elections in the Saar Valley.***

On June 25 in the Saar Valley the qualified voters elected thirty members of a semi-legislative body, known as the Advisory Council. This action took place under the new regulations adopted by the Saar Valley Governing Commission and approved by the Council of the League of Nations. A considerable number of the inhabitants had protested against the general policy of the new rules on the ground that they were intended to help the Governing Commission to make the Valley people turn to France.

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Nevertheless, according to the Berlin press, about 60 per cent of the voters took part in the election. About half of the total vote, or 92,252 electors, voted with the Center (Clerical) party and elected sixteen members of the Council.

The showing of the other groups was as follows:

Social Democrats.....	29,201 votes, 5 members
People's party (Stinnes).....	24,829 votes, 4 members
Land Owners party.....	15,063 votes, 2 members
Communists .....	14,532 votes, 2 members
German Democrats .....	7,539 votes, 1 member
Tenants party .....	4,137 votes, 0 member
Independent Socialists .....	2,715 votes, 0 member
War Cripples party.....	2,030 votes, 0 member

The Chairman of the Governing Commission is to call the Advisory Council together once in each quarter of the year. Its decisions will be accepted by the Commission unless contrary to the Treaty.

The Commission is to appoint a Technical or Study Committee to co-operate with the Council.

### ***Council of Ambassadors.***

It was announced at Paris, June 30, that the Council of Ambassadors had decided to recognize Lithuania—a belated action, in view of the fact that Lithuania is already admitted to the League of Nations.

### ***United States and the Noxious Drug Traffic.***

Under the Opium Convention of 1912, to which the United States was a party, information about the drug traffic was to be collected by the Government of the Netherlands. When the League Commission took over the control of the traffic in opium and noxious drugs, it issued a questionnaire addressed to all Governments, and asking for extensive information. The United States Government ignored the questionnaire and, as this country is one of the great factors in this drug traffic, the refusal of the United States to co-operate tended to cripple the work of the Commission. Washington still recognized the agreements of 1912, however. So in behalf of the League the Dutch Government sent to Washington the questionnaire of the League as though it were its own. Secretary Hughes gave to Holland the desired official information; Holland forwarded it to Geneva and presumably everybody was satisfied.

### ***Disarmament.***

The Temporary Mixed Commission of the League of Nations on Reduction of Armaments met at Paris on July 3. With seven new members, named by the Council, among whom is Lord Robert Cecil, this Commission is now composed as follows: Thirteen civilian members (two British, one Chilean, one Columbian, two French, two Italians, one Japanese, one Pole, one Spaniard, one Swede and one Swiss); six military experts selected from the members of the Permanent Consultative Commission for military, naval and air questions; two economic experts chosen from the League Economic Committee; two financial experts chosen from the League Financial Committee; three labor and employers' delegates.

Fourteen nations answered the questionnaire of the Commission to the effect that they have not increased military and naval expenditure. Belgium alone reported it is keeping outlay for armaments within the total provided in the budget of 1921. The proposal, prepared in the British Admiralty, to extend the terms of the Washington Naval Treaty to fifteen non-signatory Powers was referred to the naval section of the Permanent Armaments Commission with a request for a report in September. The Commission discussed Lord Esher's plan for land disarmament on a ratio basis with the Austrian Army as the unit. Under Lord Esher's scheme the French Army, now about 800,000 men, would be limited to about 180,000. Lord Robert Cecil proposed as an addition to the Esher plan a naval, military and aerial disarmament coupled with a compact among all the Powers to protect each other from aggression.

Lord Robert's plan was presented in the form of a treaty to which were prefaced five principles, introducing what would be for signatory Powers an expansion or amendment of the Covenant and particularly of Article 10. These principles are as follows:

"1. No scheme for reduction of armaments can be effective which is not a general one.

"2. In the present state of the world no Government could accept responsibility for a serious reduction of armaments unless it received some satisfactory guarantee of safety for its country.

"3. Such guarantee can be found only in a defensive alliance of all the countries concerned, binding them to come to the assistance of any one of them if attacked. It should

be provided that the obligation to come to the assistance of an attacked country should be limited to those countries which belong to the same quarter of the globe.

"4. In cases where for historical, geographical or other reasons a country is in special danger of attack, detailed arrangements should be made beforehand for its defense.

"5. It is understood that all of the above resolutions are conditional on a reduction of armaments to an agreed scale being carried out and on the provision of effective machinery to insure such reduction being made and maintained."

The text of this proposed treaty is here given in the revised form in which it was submitted to the Temporary Commission in January, 1923. But its essential ideas remained unchanged. The Annex referred to in Articles 2, 8, 22, 24 and 25 comprises tables approved by the Permanent Armaments Commission, classifying all forms of land, naval and air forces and their equipment, and designed to show the peace-time establishments which may be agreed upon by the High Contracting Powers.

#### ***Draft Treaty of Mutual Guarantee With Regional Applications.***

1. The High Contracting Powers hereby agree that if any one of them is attacked all the others will forthwith take such action as they may respectively have agreed to take in accordance with this treaty and any treaty supplementary hereto, provided that this obligation shall be conditional upon the reduction of the military forces of the party attacked as provided hereafter.

2. In consideration of the undertaking contained in the immediately preceding article each of the High Contracting Powers shall forthwith reduce its military forces maintained in time of peace in the manner and to the extent set out for each of them in the Annex hereto, and shall not thereafter increase them in time of peace without the consent of the Council of the League of Nations.

3. Each of the High Contracting Powers agrees to receive such military representatives of the League of Nations as the Council may desire to appoint, and undertakes to furnish these representatives with such information regarding its armaments as the Council may from time to time require.

4. In the event of any of the High Contracting Powers regarding itself as menaced by the preparations or action of

whatever kind of any other State, whether a party to this treaty or not, or as being on account of its geographical position or for other reasons in a position of peculiar danger, it may so inform the Secretary-General of the League of Nations, who shall forthwith summon a meeting of the Council of the League.

5. If the Council, by not less than a three-fourths majority, shall be of opinion that there is reasonable ground for thinking that the said preparations or action constitute a menace as alleged or that the applying State is in a position of peculiar danger, they shall at the request of such State negotiate a special treaty supplementary hereto for affording adequate protection for the menaced State against the danger to which it is exposed. This special treaty shall be in the form of a military convention making detailed provision for military support for the menaced State in case it is attacked.

6. Any special treaty made in pursuance of Article 5 shall be construed as one with this treaty, but shall in no way limit the general obligations of the High Contracting Powers.

7. In the event of any High Contracting Power making the application to the Council referred to in Article 4 all the obligations assumed by such High Contracting Power, including that of Article 2, and all the obligations assumed by the other High Contracting Powers in respect of such High Contracting Power, shall be suspended, if it so desires, until the special supplementary treaty which it requests shall have entered into force.

8. In the event of the High Contracting Powers being of opinion that the military preparations of any State party to this treaty are in excess of the armaments permitted to the said State in accordance with the annex hereto, it may so inform the Secretary-General of the League of Nations, who shall forthwith summon a meeting of the Council of the League.

9. If the Council, by not less than a three-fourths majority, shall be of opinion that there is reasonable ground for thinking that the said preparations are so in excess, they shall make such representations to the Government concerned as they may think right.

10. If the majority of the Council is not satisfied within

six months that the military, naval and air forces of the said party have been brought into accordance with this treaty,

(a) They shall suspend the said party from all its rights under this treaty under such conditions as they shall think right;

(b) They may take any other measures which they may consider right, including a recommendation to the High Contracting Powers that penalties similar to those provided in Article 16 of the Covenant shall be put into force against the State whose armaments are in excess, that is to say that they will immediately subject it to the severance of all trade or financial relations, the prohibition of all intercourse between their nationals and the nationals of the covenant-breaking State, and the prevention of all financial, commercial or personal intercourse between the nationals of the Covenant-breaking State and the nationals of any other State, whether a member of the League or not, and that they will mutually support one another in the financial and economic measures which are taken under this Article, in order to minimize the loss and inconvenience resulting from the above measures.

11. If the Council by not less than a three-fourths majority is of the opinion that the excess armaments maintained by any State constitute a danger to the High Contracting Power which has made an application in accordance with Article 8 hereof, the Council shall, at the request of such State, negotiate a supplementary treaty for the defense of the menaced High Contracting Power in accordance with the provisions of Articles 5 and 6.

12. In the event of any of the High Contracting Powers becoming engaged in hostilities with any other State, whether a party to the treaty or not,

(a) It shall so inform the Secretary-General of the League of Nations, who shall summon a meeting of the Council of the League without delay;

(b) It shall be the duty of the Council of the League, within four days at most from the date on which the Secretary-General receives such information, to decide which of the States so engaged in hostilities has been the aggressor;

(c) Subject to any other consideration which the Council may think right to take into account, that State shall be considered to be the aggressor which has violated the territory of the other State.

13. The High Contracting Powers agree to accept the decision of the Council given in accordance with Article 12 and to take the measures necessary to fulfill their obligations under this treaty immediately this decision has been given.

14. The High Contracting Powers undertake to co-operate in the manner set out hereafter against any State which the Council has decided, in accordance with Article 12 above, to have committed an act of aggression. The High Contracting Powers undertake to participate not only in measures undertaken for the defense of the party attacked, but also in the offensive measures required to reduce the aggressor State to submission.

15. The High Contracting Powers agree immediately to apply a complete economic and financial blockade, in accordance with Article 16 of the Covenant, against any State which the Council has decided to have committed an act of aggression.

16. The High Contracting Powers apart from and subject to any supplementary treaty concluded in accordance with Articles 5 or 11 above, agree to bring military assistance to any State which is attacked, in the following manner:

(a) The High Contracting Powers agree to accept the general military command of the general staff of any State to whom the Council may entrust a mandate to organize the military measures taken by the High Contracting Powers against an aggressor State, subject to any special conditions as regards the employment and safety of its troops which the High Contracting Powers concerned may desire to make.

(b) Each of the High Contracting Powers agrees to maintain at the disposal of such military command an agreed proportion, not being less than one quarter (?) of its naval and air forces.

(c) The High Contracting Powers agree to utilize these naval and air forces in accordance either (1) with the instruction given by such military command as is appointed under Article 16a, or (2), pending such appointment, with plans prepared by the general staff of the State attacked.

(d) The High Contracting Powers agree to furnish further military help in addition to the naval and air forces referred to in (b) above, if they are requested by the Council to do so. Provided, however, that when any such request is made by the Council any High Contracting Power which is asked to furnish help shall sit as a member of the Council.



17. Nothing in this treaty shall oblige any of the High Contracting Powers not being a European State to furnish any military forces in Europe; or not being an American State, in America; or not being an Asiatic State, in Asia; or not being an African State, in Africa; provided that this article shall not apply to the naval forces mentioned in Article 16 (b) above.

18. The High Contracting Powers agree that the cost of any military operations undertaken in pursuance of this treaty, including reparation for any material damage committed in the course thereof, shall be borne:

(a) By the aggressor State, and

(b) So far as may be necessary by the High Contracting Powers in such proportions and in such manner as may be determined (by an impartial Commission appointed for the purpose by the Council of the League of Nations acting by a majority) or (by the Permanent Court of International Justice).

19. Any member of the League, the United States, Germany, or Russia not being one of the signatories to this treaty may adhere to it by giving notice of adherence to the Secretary-General of the League or to each of the High Contracting Powers. Any State may with the assent of the Council of the League or the High Contracting Powers adhere conditionally or to part only of the provisions of this treaty. Provided always that no such adherence shall be accepted unless the Power so adhering has reduced or is ready to reduce its forces in accordance with the provisions of this treaty.

20. Nothing in this treaty shall be deemed to diminish or affect the provisions in the Covenant for maintaining the peace of the world.

21. Nothing in this treaty shall be deemed to alter or affect any provision of the treaties of peace signed at Versailles, St. Germain, Neuilly and the Trianon in 1919 and 1920.

22. Any question as to the meaning or effect of this treaty not being a question whether the naval, military or air forces or preparations of any of the High Contracting Powers are in excess of those agreed to under the Annex to this treaty, shall be referred to the Permanent Court of International Justice whose decision shall be final.

23. In this treaty the expression "military" shall include

naval and air and, except where the context otherwise requires, the singular shall include the plural.

24. The High Contracting Powers agree that the scales of armaments laid down for each of them in the annex hereto shall be subject to revision at the expiration of ten years from the date of the entry into force of this treaty.

25. This treaty shall be ratified by the deposit of ratifications with the Secretary-General of the League of Nations at Geneva. As soon as it is ratified by certain Powers, that is to say:

In Europe by Great Britain, France, Germany, Italy, Russia or by such four of them as shall first have ratified it;

In Asia by Japan and one other Power;

In America by the United States of America and one other Power.

It shall come into force in respect of that Continent provided always:

(a) That if any of the ratifying Powers mentioned in this Article by name shall not have reduced their armaments in accordance with the Annex hereto within two years of the entry into force of the treaty, the treaty shall with regard to such Powers be null and void, and the other High Contracting Powers who have ratified it may at any time denounce it;

(b) That with respect to the High Contracting Powers the rights and obligations provided in Articles 1, 2 and 13 to 19 inclusive, of this treaty shall only come into force when the Council shall by a three-fourths majority certify that such High Contracting Power has reduced its armaments in accordance with the annex hereto, or has taken the necessary steps to secure that such reduction shall have been carried out within two years of the ratification of this treaty by such High Contracting Powers.

(c) That in the case of any High Contracting Power which considers it is menaced and so informs the Secretary-General in accordance with Articles 4 and 8 of this treaty, the rights and obligations hereof shall be suspended, if it so desires, until the special supplementary treaty for its defense which it requests shall have entered into force.

This suggested treaty should be considered in the light of the amended Article 16 of the Covenant which was approved by the Second Assembly (1921), and which proposed to restrict that Article to a consideration of the economic weapon and non-intercourse.

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The recommendation of possible military action eliminated by such amendment from the Covenant (when ratified) would reappear in stronger guise in this proposed treaty. Lord Robert's plan is therefore an attempt to meet the fears of France and its insistent demand for greater security by extra-covenant agreements for the protective use of military force.

Lord Robert's proposals, together with the Esher plan, were referred to a sub-committee which approved the former on July 5. During the discussion the Yugo-Slav representative was told that this plan would not recognize agreements in existing military alliances. This referred to the Little Entente.

At the final meeting of the Commission, July 7, Lord Robert's scheme was adopted for submission to the Third Assembly as the essential basis of disarmament.

The Chilean delegate announced that on the basis of information obtained by the Commission and from the Washington Conference, his Government would ask for the inclusion of the whole question of world disarmament, naval and land, in the agenda of the Fifth Pan-American Conference at Santiago in March, 1923.

## CHAPTER VI.

### THE HAGUE CONFERENCE ENDS—NINETEENTH SESSION OF THE LEAGUE COUNCIL.

#### *Reparations.*

July 4 the Reparations Commission warned the German Government to pay no money to Ukraine under a projected treaty between Germany and Ukraine, which was understood to call for a payment of 400,000,000 marks to the latter country. The Commission held that, without its consent Germany could make no payments to foreign countries outside of the terms imposed by the Treaty of Versailles.

#### *Hague Conference Ends.*

On July 4 the Russians presented what purported to be the budget of Soviet Russia which showed that nearly the whole cost of the Government was met by printing paper rubles.

Of 280,000,000,000,000 rubles in circulation, 85,000,000,000,000 were issued in June, 65,000,000,000,000 in May and 45,000,000,000,000 in April. The delegates here understand that another 100,000,000,000,000 will be issued during July.

M. Alphand, Chairman of the Debt Committee told the Russians on July 7 that expert study of the Russian budget showed that only 41½ percent of Russian expenses was covered by taxation, the rest of it being met by issuing paper money. The Russians had claimed that taxes paid 80 percent of expenses. During this week the Committees discussed with the Russians the revelations of Russian finance and the questions of the Russian debts.

The Russians kept repeating their demand for credits. The other delegates kept repeating the question, "When and how will you pay your debts?" The Russians always answered that they could not discuss that until they knew what credits they would get. The invariable reply of the other delegates was that without assurance that Russia would pay debts and would restore or pay for confiscated property, no one would give any credits to Russia. And this circle of question and answer went on to the end of the Conference without change and without material result.

In the Private Property Committee on the 7th Litvinoff produced a list of concessions that Soviet Russia would farm

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out, preferably to a mixed company of foreign capitalists and the Soviet Government. About 600 concessions, classified in twenty groups, were mentioned. Gold, iron, asbestos, timber, sugar and about thirty oil concessions were included. Concessionnaires must employ a fixed percentage of Russian labor.

The Belgian representatives recognized in the list former Belgian properties, and inquired what items on the list were confiscated property. Litvinoff did not know. The Belgians asked what would be done for former owners, and the only answer was an assertion that they would have "reasonable" terms.

It was quickly observed that in the Russian list of concessions the mining claims of the British Ural syndicate represented by Mr. Leslie Urquhart and the Baku oil lands, in which the Royal-Shell group (Colonel Boyle) is interested were not included.

It was a general impression that the Russians were expecting to deal with private buyers by agreements valid after October 1, when the pledge of the Governments to support no unofficial bargains with the Soviets ends. Before the Credits Committee on July 10 Krassin presented the concessions possible in transportation by rail and water routes, and also concessions in farming regions. As before, foreign participation must take the shape of a partnership with the Soviet Government. He also stipulated that for ten days at the time when foreign-owned goods were ready to be shipped out of Russia the Government reserved the right to take them over at cost.

On the 13th of July the members of the Private Property and Debts Committees practically agreed that the deadlock between Russians and non-Russians could not be broken. Nothing remained for the experts of non-Russian Powers, but the preparation of reports to their Governments explaining how and why agreement with the Soviet representatives was impossible.

On the 14th the Credits Committee came to the same conclusion.

One of the British spokesmen, Hilton Young, reminded the Russians that foreign capital would not go into Russia because it could not trust the Soviet Government.

"Russia," he said, "must reset the keystone in the arch which supports all credits at all times and everywhere—recognition of the binding force of obligations solemnly contracted."

He characterized as a complete illusion any idea that there

existed a financial blockade of Russia in the sense of abstention from granting credits. It was the policy of the Russian Government itself which imposed the blockade. Russia's insistence on the concentration of all credits in the hands of the Government had placed an insurmountable barrier in the path of those able and willing to find capital for Russian reconstruction.

Litvinoff answered: "Even if you decided that confidence in Russia was restored and agreed to encourage credits, we are not sure these credits would be forthcoming. Therefore, we cannot acknowledge our liabilities. We refuse responsibility for the rupture of this conference."

The Chairmen of the three Sub-Committees approved a statement by the Chairman of the Russian Committee, M. Patyn, to M. Litvinoff on the 15th that if the latter wished to make new offers the door to further negotiation was still open.

At this time all foreign trade in Russia must pass through the bottle neck of the Government's Foreign Trade Office, with only two exceptions. The big co-operative societies or unions, officially approved by the Government, may trade with properly registered foreign co-operatives; also private concerns in Russia may make contracts for imports or exports, provided that the contracts have been sanctioned by the Foreign Trade Office.

Small or private co-operatives must deal either through the big co-operatives or through the Foreign Trade Office.

On the 16th of July Maxim Litvinoff, after consultation with Moscow, accepted the invitation from M. Patyn (July 15) to restate the Russian case.

His letter asked for the total amount of compensation desired for nationalized foreign-owned properties. Restitution of the property is in many cases impossible, but Russia will pay so far as it can. Payment will depend on help from outside countries.

Litvinoff asked that claims of private owners (estimated at 90 per cent. of the whole) may be settled privately and individually. The other 10 per cent. can be arbitrated if necessary. Litvinoff cites cases where such private settlements are already within reach—to the satisfaction of all concerned, apparently having in mind the International Harvester Company and the Westinghouse Electric Company, as well as the mining interests represented by Mr. Urquhart, and the oil interests represented by Colonel Boyle.

On the 17th the three sub-committees considered Litvinoff's letter. It was agreed that the Russians should be invited to meet the sub-committee on Private Property on the following day. The French delegates opposed even this concession to Litvinoff.

The Russians, however, refused on the 18th to meet a sub-committee and demanded a plenary session of the Conference. This was granted.

At the plenary session on the morning of the 19th, Litvinoff proposed that he should have a week in which to submit two suggestions to the Soviet Executive and that the other delegations should refer the proposals to their Governments.

The gist of Litvinoff's declaration is in the following paragraph:

"If the other delegations will agree to refer our proposal to their respective Governments, the Russian delegation will ask its Government whether Russia is prepared, assuming credits in the sense intended by the Russian delegation cannot be given, first, to acknowledge the debts due by the Russian Government or its predecessors to foreigners, and, second, to agree to give effective compensation to foreigners for property which has been nationalized—provided, that the terms of payment of the debts and the terms of compensation, whether in the form of concession of properties, or otherwise, be left to be agreed upon between the Russian Government and the persons concerned in the course of two years."

In the afternoon the non-Russian delegations, following the leadership of France and Belgium, refused to wait seven days more, and refused to submit Litvinoff's statement to their Governments. They closed the Conference with the adoption of this vague resolution:

"The non-Russian Commission, concluding its work at a point arrived at in the discussion at The Hague with the Russian Commission and which is recorded in the reports compiled and approved by the three subcommissions, notes with satisfaction the proposal of the Russian delegation to make submission to its Government in the sense contained in the declaration read by M. Litvinoff at the plenary session of July 19.

"The non-Russian Commission does not find in the terms of the declaration itself the basis for an agreement, but notes that the line of conduct indicated in the declaration can, if accepted by the Russian Government and loyally carried out,

contribute to the restoration of confidence, which is necessary for the collaboration of Europe in the reconstruction of Russia.

"The non-Russian Commission also notes that this declaration can help to create a favorable atmosphere for any further negotiations which may be considered expedient by the various Governments."

The French and Belgians were particularly opposed to allowing their citizens to deal directly with the Soviet Government. It seemed to open the door for a vast extension of Bolshevik propaganda. The British were at first disposed to accept Litvinoff's suggestions, but when the latter privately told the British Chairman, Sir Philip Lloyd-Greame, that Soviet Russia would not act unless the Governments acknowledged it as a *de jure* Government, the British joined the French and Belgians in favoring rejection.

On the 20th, Commission No. 1 held its final meeting and adjourned the Conference *sine die*. The British, French and Belgians decided the matter. The others appeared to be observers.

The last act of The Hague Conference was the adoption of a resolution, offered by Baron Cattier of Belgium, after conference with Mr. Louis A. Sussdorff, American Charge at The Hague.

"The Conference recommend for consideration of the Governments represented thereon the desirability of all Governments not assisting their nationals in attempting to acquire property in Russia which belonged to other foreign nationals and was confiscated since November 11, 1917, without the consent of such former owners or concessionnaires, provided some recommendation subsequently is made by the Governments represented at The Hague Conference to all the Governments not represented, and that no decision shall be reached except jointly with these Governments."

At the same time, on the 20th, the State Department at Washington announced that American citizens who enter into arrangements with Soviet Russia that prejudice or jeopardize the vested rights of citizens of other countries in Russia would do so without the sanction or support of the United States Government.

The Department added that "the United States has complete confidence that the other Governments concerned will adhere to the same policy."

It will be recalled that, by the agreement at Genoa, one



month after the close of The Hague Conference, the non-aggression pact would lapse and the Powers would be free to make separate agreements with Russia.

The outcome of The Hague and Genoa Conferences was summed up by Mr. E. L. James in the New York Times of July 22, thus:

"The other Powers demand that Russia begin by squaring herself, so that business and foreign money may go back there. The Russians demand cash first and promise to see about the rest later. These two points of view are now clear to all the world.

"The final play of Litvinoff in the last days of the Conference was only an effort to throw on the other delegations the blame for the break-up of the meeting. The experts, who turned down his new effort to talk some more without saying anything, showed they understood.

"Moscow may collect some scattering dollars by the sale of concessions to business adventurers. The Governments agreed not to permit the Soviet scheme of a sale of stolen goods to the highest bidder and not to support their nationals buying from Moscow properties which belonged to foreigners. But as a matter of fact there will be no rush of foreign enterprise into Russia until the Governments of those undertaking such enterprise are in the position to protect the interests of their nationals in Russia. They are not in that position now."

### ***Reparations.***

On July 10 it was announced that the German Government dealing with the Guarantee Commission, accepted the plan for Allied supervision of the financial administration of Germany.

On July 12 the German Government asked the Reparations Commission for complete relief from all requirement of cash payments for the remainder of 1922 and for two years ensuing. Thirty-two million gold marks were due on the 15th. The German Government declared itself unable to pay, as the money was needed to pay for foodstuffs. Germany asked also for a readjustment of claims of Allied Governments on account of property of Allied nationals sequestered in Germany during the war. The request was that the monthly payment on this account be reduced from £2,000,000 to £500,000.

On the 13th the Commission replied, showing willingness to consider a two-year moratorium, but insisting that the payment due on the 15th must be made.

### ***The Empire of Oil.***

Mr. Winston Churchill, Colonial Secretary, said in the House of Commons on July 11 that the British policy toward Mesopotamia and its oil wealth had not taken final shape because the Government is still trying to reach agreement with the United States concerning pre-war concessions in Mesopotamia and Palestine.

On the following day it was announced in New York that Sr. Adolfo de la Huerta, Mexican Minister of Finance, was leaving for home and taking with him tentative agreements with an International Committee of Bankers about Mexican debts, and with a Committee of Oil Executives about the development of the petroleum industry in Mexico. The details of the agreement concerning resumption of payments on the Mexican debt were published in the New York papers of September 5, but not the story of the negotiations about oil properties.

### ***Canada Proposes Permanent Peace Treaty With United States.***

On July 12 the Premier of Canada, William Lyon Mackenzie King, with his Minister of Defence, George Perry Graham, called upon Secretary Hughes and proposed that the Anglo-American Agreement of 1817 limiting armament on the Great Lakes be now modernized and embodied in a formal treaty between the United States and Canada, respecting limitation of armament on the lakes and the St. Lawrence River. Their proposal was sympathetically received. Among other important subjects discussed were fisheries on both coasts, Canadian representation at Washington, reciprocity in income taxation and the St. Lawrence waterways project. Concerning the last topic Premier King counselled delay.

The original agreement of 1817 restricting naval armament on the Great Lakes was only an executive order, although subsequently its validity had been recognized in Congress.

### ***The Pan-American Union as a League of Nations.***

It was announced at Washington on July 15 that the Government of Uruguay would propose to the Fifth Pan-American Conference next March the formation of an American League of Nations, "based upon complete equality" of all the members. "All controversies, whatever the nature or

cause, between American countries, which cannot be settled by direct negotiation or by friendly mediation shall be submitted to the arbitral judgment of the League." Another principle of the new League should be that "all countries of the American Continent will consider an encroachment by a non-American Power upon the rights of any member of the League as an encroachment upon their own rights." In respect to such encroachment "all American nations would assume a common and uniform attitude." This proposal from Uruguay will come before the Governing Board of the Pan-American Union in October.

This doctrine of a Pan-American League of Nations was first announced by President Baltasar Brum of Uruguay on June 17, 1917, and it was the basis of Uruguay's action in severing diplomatic relations with Germany. October 7, 1917, an action which was to be interpreted as an assertion of Uruguay's solidarity with the United States. President Harding indicated approval of the idea of an American League in a speech on August 25, 1920. The Uruguayan Minister of Foreign Affairs, Sr. Buero, confirmed the Washington announcement in a speech at Montevideo on July 21.

#### ***Arab Strike Against Mandate.***

On July 13-14, under the leadership of the Christian-Moslem Union in Palestine, there was a strike of protest among the Arabs of that country against the approval of the British mandate for Palestine by the Council of the League of Nations. The Council was expected to meet in London on July 17. The strike was peaceful.

#### ***Reparations.***

July 16 it was announced that the French Government had proposed to the German Government that the revised Wiesbaden agreement governing payments in kind should go into effect on July 20.

The German request for a three years' moratorium was naturally associated in France with the fact that only by cash payments from Germany could France hope to meet its obligations to Great Britain and the United States.

Stephane Lauzanne undoubtedly represented a common sentiment in France in the following impassioned utterance published on the 16th:

"The two figures which we would so like to place before the eyes of Mr. Mellon and all the American people are the following: \$1,250,000,000—\$7,500,000,000.

"We will explain. The billion and a quarter dollars represents the total of what Germany to date, July 15, 1922, has paid to the Reparation Commission both in specie and deliveries in kind. The last balance of the Reparation Commission gives the payment of 4,944,000,000 gold marks, which represents, at four marks to the dollar, \$1,250,000,000.

"Seven and a half billion dollars represents the total of what France has poured out up to July 15, 1922, for cost of reconstruction of the devastated regions and the cost of pensions—a cost which by virtue of the Treaty of Versailles falls exclusively on Germany. These figures come from a declaration by Premier Poincaré which places these costs at 92,000,000,000 francs—which sum divided by the average exchange of the last three years, or twelve francs to the dollar, gives the sum of \$7,500,000,000.

"Thus in three years, Germany, who did not have an inch of soil ravaged by the war, who had not a house destroyed by the war, who had not a factory deteriorated by the war, has given up \$1,250,000,000, and during the same three years France, who has had seven of her richest departments devastated, who has seen her richest coal mines wrecked, who has seen her richest industrial districts laid in ashes, has nevertheless found the means of advancing \$7,500,000,000 for the account of the authors of this devastation, wreckage and destruction.

"For love of the truth, let us not stray from these two figures. When we are told 'Germany is weighed down beneath the weight of her reparations debt,' let us respond: 'She has paid only \$1,250,000,000 while we have paid \$7,500,000,000.' When we are told 'German marks have fallen to zero because of the payments Germany must make,' let us answer, 'No, the German mark cannot fall to zero merely because it has served to pay \$1,250,000,000 when the franc has fallen only 40 centimes after having served to pay \$7,500,000,000.'

"A billion and a quarter dollars—this is all that 70,000,000 Germans who have not had a windowpane broken have paid to repair the devastation of the war which they declared and which they lost. Seven and a half billion dollars—this is what 40,000,000 French who have had seven departments ruined have

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\*Of course, this is not literally true.

raked up by bleeding themselves and draining their poor wool socks (the proverbial bank of the peasant) to repair the horrors of war which they have endured and won.

"A billion and a quarter dollars! Seven billion and a half dollars! There, Mr. Mellon, is the effort of the one and there is the effort of the other! Who has the right to a moratorium? Who has the right to a reduction of debt? Germany, who, in her strength, has paid a billion and a quarter dollars, or bleeding France, who has paid seven and a half billion?"

At the same time the Reparation Commission was notified (July 17) that Germany had paid the 3,200,000 gold marks which were due on the 15th. The Commission was coincidentally discussing a proposition, unofficial but emanating from British high officials, that the total of the German indemnity should be reduced from 132,000,000,000 gold marks to 50,000,000,000; and that the French debt to England should be canceled. French officials were said to look upon the project with favor provided France would also receive some or all of England's 22 percent share of the total indemnity and a pledge of help in case of attack. The Belgian delegate was reported to oppose the reduction of the indemnity.

### ***Nineteenth Session of the Council of the League of Nations, July 17-24.***

The Council of the League opened its nineteenth meeting in London on Monday, July 17. The president was M. Quinones de Leon (Spain). The Council voted that the mandates questions should be first discussed at a private meeting.

1. *FINANCES OF THE PERMANENT COURT*—The Council voted to submit to the next Assembly resolutions defining the payment of indemnities, allowances and traveling expenses to special judges and technical assessors, functioning under Article 27 or Article 31 of the Court Statute. These resolutions were based on a memorandum from the President of the Court, which had been considered by the Committee of Control.

Resolutions having a similar genesis and proposing that expenses of the Court shall be included in the League budget and paid out of League funds were adopted for submission to the Assembly. It was recommended that in future out of each contribution from a member-State to the League funds the Court shall have a share corresponding to the ratio between the Court budget and the League budget. The Council voted

to the Registrar of the Court a salary of 22,000 florins a year for five years, promising to consider an increase of salary at the end of that period.

2. *BUDGET OF THE LEAGUE*—The Council, thinking that the shortness of time before the meeting of the Assembly rendered it impracticable to propose modifications in the budget for 1923, voted to reaffirm its right to discuss or amend the budget during the Assembly. The Council voted to pass to the Assembly the audited accounts for 1921 and to thank the Netherlands Government for the service of audit. The French representative (M. Viviani) observed that Parliaments and public opinion were increasingly critical of League expenditures. He regretted that the Commission of Control, in a budget of 25,000,000 francs, had not been able to pare off more than 800,000 francs.

The Secretary-General remarked that this was a proof that the budget had been prepared with great care and prudence. The Italian representative (Marquis Imperiali) suggested a possible rule that League Commissions, unless constituted in the general interest, should be paid for by the parties concerned.

The Secretary-General observed that the Council had previously voted to examine every such case on its merits without any uniform rule of responsibility. The Council authorized the Secretary-General to send immediately to the Governments of member-States a report of the Committee on Allocation of Expenses of the League.

3. *INDEMNITY TO COL. SCHAEFER'S WIDOW*—The Council voted that the Secretary-General should charge to the budget of 1922 under "Unforeseen Expenditure, subject to special vote of the Council," an indemnity of £335 to be paid to the widow of Col. Schaefer, of the Albanian Commission of Inquiry.

4. *GERMAN SOCIAL INSURANCE FUNDS TO POLAND*—An International Commission, appointed by the Governing Body of the Labor Office, having agreed upon the plan for transferring to Poland Social Insurance Funds for German territory ceded to Poland, the Council approved the recommendations of the Commission in conformity with Article 312 of the Treaty of Versailles.

5. *SAAR VALLEY GOVERNING COMMISSION*—The Council approved of M. Rault's nominations of substitutes to

take his place on the Commission during his vacation in August, 1922. During that time Mr. R. D. Waugh (Canada) will be Acting Chairman.

6. *COMMISSIONER IN CONSTANTINOPLE*—Dr. William W. Peet having declined appointment as Chief Commissioner of the League on Deportations of Women and Children in Turkey, the Council noted the willingness of the League Commission of Inquiry in Constantinople to proceed with the work outlined for the Commissioner and with the supervision of Neutral House.

7. *TRAFFIC IN WOMEN AND CHILDREN*—The Council received a report of the first session of the Advisory Committee which was held at Geneva, June 38 to July 1. Mr. S. W. Harris (Great Britain) took the chair at the request of Mme. Estrid Hein (Denmark), who was entitled to the honor. She became Vice-Chairman. Dame Rachel Crowdy (Great Britain) was Secretary of the Committee. Four of the five Assessors representing societies were women. The delegate from Uruguay, a woman, did not attend.

The Committee adopted rules of procedure, studied answers to a questionnaire sent to Governments in connection with the Conference in 1921, listened to reports from the voluntary societies concerned, discussed methods of closer co-operation among Governments and of dealing with information, discussed the employment of women in theaters and music halls, especially under contract in alien countries, and studied the conclusions of the International Emigration Commission (August, 1921) and of the Women Traffic Conference of 1921.

The recommendations of the Committee presented to the Council for approval before submission to the Third Assembly are summarized as follows:

In the first place, the Council was requested to ask all States that are members of the League and that have not yet signed the 1921 Convention to do so as soon as possible. The Committee also recommended that Germany and the United States, in view of the interest they had shown in the suppression of the traffic, should be invited to appoint members to serve on the Advisory Committee.

Close contact among the various bodies engaged in the work of suppression of the traffic was urged. The Committee recommended that all Governments who had not yet appointed

Central Authorities specially competent to deal with the question and attached to some executive department should do so without delay, and that these should keep in constant touch with the Secretariat of the League and the voluntary international associations, so as to facilitate prompt action. The Advisory Committee also recommended close co-operation with the International Emigration Commission and welcomed the proposal that measures to protect emigrants should be applied to women and children as well as to men. It was suggested that the International Labor Conference should, for the benefit of emigrant women and children, consider how to secure co-operation between Governments and shipping companies, keeping in view both material and moral conditions. A form of annual report was drawn up, which Governments should be asked to furnish to the League, showing the measures taken by them to prevent the traffic in women and children. These reports are intended to form the basis of a yearly general statement prepared by the Secretariat for the use of the Committee and showing the situation and the progress made all over the world.

Some practical measures were also proposed by the Advisory Committee, notably for the protection of women and girls seeking employment in theaters, music halls, etc. The Committee recommended that the competent authorities, when applied to for passports, should be instructed to warn girls seeking employment abroad and to advise them as to the fairness of their contracts; also that Governments should be urged to ascertain the conditions under which girls, both foreigners and their own nationals, are employed in theaters, music halls, etc., and to consider the desirability of legislating to protect minors seeking employment abroad.

M. Viviani questioned the recommendation concerning Germany and the United States. Mr. Harris, Chairman of the Committee, appeared before the Council and said that although Poland was put on the Committee to represent Central Europe, German participation was also desirable because so many German girls were emigrating, especially through Holland. Moreover, the Government of the United States had written to the Secretary-General explaining why it had been unable to adhere to the Women Traffic Conventions of 1910 and 1921, but declaring its sympathy and wish to co-operate.

The Council adopted the report of the Committee.



8. *SPANISH MEMBER OF MANDATES COMMISSION*—The Council appointed Count de Ballobar as successor of M. Ramon Pina, Spanish member of the Mandates Commission, whose resignation was accepted with regret.

9. *PUBLICITY FOR COUNCIL MEETINGS*—The Council listened to a letter from the President of the Association of Journalists accredited to the League protesting against the discussion of mandates in private session. The Council decided that the question of B mandates should be immediately considered in public meeting.

10. July 18. *THE B MANDATES*—The drafts for B mandates (British and French Togoland and Cameroons, British East Africa and Belgian East Africa—Ruanda-Urundi) were approved and referred to a drafting committee with authority to recommend textual changes. The final texts were reported and approved on July 20.

These texts, which have been the subject of occasional but prolonged negotiations with the United States Government since February, 1921, are but slightly changed from the form published in the First Year Book *q. r.*, pp. 64-68.

For purposes of comparison the following deviations from the text in the First Year Book are noted thus:

#### ***British Mandate for East Africa.***

The Preamble has five paragraphs instead of three. A new second paragraph acknowledges the river Rovuma as the northern boundary of Portuguese East Africa from its mouth up to its confluence with the river M'Sinje.

A new final (fifth) paragraph reads as follows:

"Whereas, by the aforementioned Article XXII, paragraph 8, it is provided that the degree of authority, control or administration to be exercised by the mandatory, not having been previously agreed upon by the members of the League, shall be explicitly defined by the Council of the League of Nations."

The Council, confirming the said mandate, defines its terms as follows:

In Article 7 this new paragraph, given below, becomes paragraph 4, and old paragraph 4 is to be numbered 5:

"Concessions having the character of a general monopoly shall not be granted. This provision does not affect the right of the mandatory to create monopolies of a purely fiscal character in the interest of the territory under mandate, and in

order to provide the territory with fiscal resources which seem best suited to the local requirements; or, in certain cases, to carry out the development of natural resources, either directly by the State or by a controlled agency, provided that there shall result therefrom no monopoly of the natural resources for the benefit of the mandatory or his nationals, directly or indirectly, nor any preferential advantage which shall be inconsistent with the economic, commercial and industrial equality hereinbefore guaranteed."

In Article 8, first line, after the word "ensure," add "*in the territory.*" In line 4, after the word "Missionaries," delete the phrase "of all such religions," and insert instead "who are nationals of States members of the League of Nations."

Article 12 is to end with the word "mandate," the last clause, beginning with the words "provided that," being omitted.

In Article 13 the first sentence begins as follows:

"The Mandatory agrees that if any dispute whatever should arise between the Mandatory and another member of the League of Nations relating to the interpretation or the application of the provisions of the mandate, such dispute, if it cannot be settled by negotiation, shall be submitted," etc.

### ***Belgian Mandate for East Africa.***

The Preamble is identical with that of the foregoing British mandate, except that the new second paragraph is omitted. The rest of the mandate consists of thirteen articles, identical, *mutatis mutandis*, with the thirteen articles of the British mandate except as here noted:

Article 3. The last sentence is omitted.

Article 9. "The mandatory shall apply to the territory **any** general international conventions applicable to contiguous territories."

Article 10. "The mandatory shall have **full powers of** administration and legislation in the area subject to the mandate; this area shall be administered in accordance with the laws of the mandatory as in integral part of his territory and subject to the preceding provisions.

"The Mandatory shall therefore be at liberty to apply his laws to the territory under the mandate, subject to the modifications required by local conditions, and to constitute the territory," etc.

Article 11 omits the last sentence.

Article 13 omits the last sentence.

British and French Mandates for Togoland and the Cameroons:

These four mandates each consist of twelve articles, which are identical with the Belgian mandate for East Africa, except that Article 2 of the Belgian mandate is here omitted, and Article 2 of this mandate is the same as Article 3 of the Belgian mandate and so on to the end. But there is the same significant addition to Article 3 of the French Togoland mandate which is described and properly characterized in the First Year Book at the top of page 68.\* To each of these four mandates is appended a declaration delimiting the boundaries. Article 2 of each declaration concludes with this important statement:

"It is understood that if the inhabitants living near the frontier should, within a period of six months from the completion of the local delimitation, express the intention to settle in the regions placed under French authority, or, inversely, in the regions placed under British authority, no obstacle will be placed in the way of their so doing, and they shall be granted the necessary time to gather in standing crops, and generally to remove all the property of which they are the legitimate owners."

11. *LIQUOR TRAFFIC IN CENTRAL AFRICA*—A resolution introduced by Viscount Ishii, and unanimously adopted, expressed the wish that the Mandatory Powers, in view of the obligations imposed upon them by the Covenant and the danger of the traffic for the native population of Central Africa, do all in their power to protect the population from this peril. The Permanent Mandates Commission was also requested to devote particular attention to the measures taken by the Mandatory Powers, and to inform the Council of its findings in this connection.

12. *AMENDMENTS TO THE COVENANT*—The Council voted that the date for the meeting of the Amendments Commission should be determined by the Chairman of the Commission, the representative of China remarking that the Chinese member of the Commission was in China and should have previous notice long enough to enable him to attend or send a substitute.

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\* The final official text of these mandates is in the Official Journal (Part II) for August, 1922, pp. 862-892.

**13. FRANCE ASKS FOR SUPPLEMENTARY ADVICE FROM THE PERMANENT COURT ON THE COMPETENCE OF THE LABOR ORGANIZATION**—In January and May the Council, at the request of France, had asked the Permanent Court for an opinion on the powers of the International Labor Organization with reference to the conditions of agricultural labor.

Meanwhile the Governing Body of the Labor Office in its January session at Geneva and its April session in Rome had moved to put into effect proposals at the Third Labor Conference (1921) for an inquiry into the means of improving agricultural production. This inquiry was to be the work of a Joint Committee, representing the Governing Body and the International Institute of Agriculture at Rome. The French Government, being unfavorable to these policies of the Labor Office, wrote to the Council on June 13, asking that the Permanent Court be asked to advise upon a supplementary question as follows:

“Does examination of proposals for the organization and development of methods of agricultural production, and of other questions of a like character, fall within the competence of the International Labor Organization?”

Herewith the French Government submitted a memorandum, claiming that by Part XIII of the Versailles Treaty the competence of the Labor Organization is limited to questions of “industrial” labor, and that measures suitable for “industrial” occupations are inapplicable to agriculture.

M. Albert Thomas, Director of the International Labor Office, who was present at the Council meeting, declared that the International Labor Office did not pretend to be competent in matters of agricultural production and was concerned with the methods and means of production only in so far as they affected labor problems, and especially the question of unemployment in agriculture.

The Council voted to send the request of the French Government to the Permanent Court.

**14. PROCEDURE FOR CONCILIATION**—The Committee on Conciliation, named by the Council in January, presented a draft resolution, recommending all the States Members of the League to conclude among themselves reciprocal conventions by which they undertake to lay their disputes before Conciliation Commissions chosen by themselves, and, secondly, proposing rules of procedure for adoption by the various States.

which, however, would still remain free to determine for themselves the organization, competence and procedure of the Commissions.

The draft resolution provides, moreover, for certain action to be taken by the organs of the League, either by the Secretariat or the Council.

The proposed Commissions and their rules of procedure virtually are a repetition of the stipulations of the so-called Bryan treaties, concluded by the United States in 1913 with more than a score of nations, under the provisions of Chapter III of the Hague Conventions of 1907.

It was agreed that these Commissions must not affect the rights and prerogatives of the Council under the Covenant, and that a Conciliation Commission which failed to obtain a settlement might lay the matter before the Council. The Council approved this report for submission to the Third Assembly.

15. *ACCUSATIONS AGAINST BULGARIA*—The question of incursions by marauding bands in the territory of States bordering on Bulgaria was considered at two Council sessions, on July 18 and 19. This question was brought before the Council by the Bulgarian Government which was represented at the London session by M. Theodoroff, the Bulgarian minister at Belgrade. The border States in question were represented at these sessions by M. Rengabe (Greece), M. Titulesco (Rumania) and M. Boshkovitch (Serb-Croat-Slovene State).

The Bulgarian representative stated that Bulgaria had loyally endeavored to execute the Treaty of Neuilly; the Bulgarian Government had, however, been accused by the frontier States of allowing bands to invade their territories. The Bulgarian Government had repeatedly proposed the constitution of a Committee of Inquiry, but this proposal had never been accepted. On June 14, the Bulgarian Government was officially notified by the Rumanian representative at Sofia, in the name of the three border States, that these Governments considered Bulgaria responsible for the situation and that serious consequences might ensue if no remedial steps were taken. Bulgaria, therefore, had appealed to the League under Article XI of the Covenant. The Bulgarian Government considered the situation most serious; it was of the opinion that an investigation must be made, but that this could only be done on the spot and by an impartial authority such as the League of Nations.

The Rumanian minister in London, M. Titulesco, declared that the States bordering on Bulgaria had endeavored to settle

this dispute by direct negotiations. The communication addressed to the Bulgarian Government on June 14 stated only that the incursions of armed bands into the neighboring territories, which had already given rise to numerous complaints and whose existence had never been contested by Bulgaria, were becoming more frequent and dangerous. M Stambuliski himself admitted that 500,000 Bulgarians had left their former homes in adjacent States, and had taken refuge in Bulgaria. Of Macedonian refugees it would be especially true that by a long use of "comitadji" organizations they had become unruly and disdainful of control. On the strength of the assurances given at Genoa by M Stambuliski to M Bratiano, the interested Governments had renounced steps of a threatening character, and had therefore begun direct negotiations. All three Governments promised that, if the negotiations were unsuccessful and the terms of the Covenant should become applicable, they would bring the question again before the Council.

The Council accepted this declaration.

The correspondence between the Governments and between the Governments and the League is in the Official Journals of the League for October (No. 10) and November (No. 11, Part 1), 1922.

16. "A" *MANDATES*—In sessions held on July 19 and 22, the Council considered and approved the Syrian and the Palestinian Mandates.

Marquis Imperiali informed the Council that his Government, upon learning that the French Government wished to discuss the Syrian Mandate at this session, had arranged for a prompt exchange of views between the two Governments. The Italian Government thought that these mandates must depend on the fate of the Treaty of Sevres. It was desirous of obtaining from the French Government similar assurances as regards Syria to those received from England in connection with Palestine. Marquis Imperiali stated that he was authorized to approve the Syrian Mandate as soon as the negotiations in question had come to an end. The Italian attitude meant that Italy was trying to secure again special economic, educational and missionary privileges in Syria and Mesopotamia which she had renounced in the "sphere of influence" agreement of 1920 (between England, France and Italy). This agreement was based on the Treaty of Sevres, but that was now in the discard. The Papal Nuncio was also present but was not asked to address the Council.

Lord Balfour remarked that this session of the Council had been convened primarily to consider the Palestinian mandate. These mandates would have been awarded in February, 1921, if a letter from the United States Government had not caused postponement. In these 2½ years there had been plenty of time to clear up all points. But now the Italian Government had instructed its representative to oppose the discussion of the Syrian mandate. The French representative was instructed to object to the discussion of the mandate for Palestine unless the Syrian mandate were joined with it.

It appeared that active conversations between the Italian and French Governments relating to desired explanations and assurances were going on behind this meeting of the Council.

Pending the expected consent of the Italian Government to approve the Syrian and Palestinian mandates simultaneously, the Council opened the deliberations on the Palestine Mandate. The discussion centered on Article 14 of the draft, which deals with the safeguarding of the Holy Places. The Council adopted a revision of this article which now reads:

"A special commission shall be appointed by the Mandatory to study and define the rights and claims in connection with the Holy Places and the rights and claims relating to the different religious communities in Palestine. The method of nomination, the composition and the functions of this commission shall be submitted to the Council of the League for its approval and the commission shall not be appointed or enter upon its functions until approved by the Council."\*

Consequently, the Council unanimously agreed that the terms of the French Mandate for Syria and the British Mandate for Palestine should be confirmed, to enter into force automatically on the announcement to the President of the Council that the negotiations between France and Italy had reached a final agreement.

The Council also agreed that, as in the case of B and C Mandates, alterations in the A Mandates could be made only with the unanimous consent of the Council. With reference to the Commission on Holy Places referred to in the new draft of Article 14, the Spanish representative said that his Government instructed him to say that it regarded the presence of a Spaniard on that Commission as indispensable. The French,

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\*The original text of the Palestinian and Syrian draft mandates was printed in the First Year Book, pp 61-64. The text of these mandates now approved by the Council is given herewith in the appendix.

Italian and Belgian representatives made similar declarations on behalf of their Governments respectively.

Lord Balfour indicated that sympathetic consideration would be given by the British Government to such requests. The Spanish representative also offered this declaration:

"The Spanish Government accepted the allocation to Great Britain of the mandate for Palestine, but the special position of Spain in the Holy Land, acknowledged for many centuries, obliges it to make an express reservation of the rights and privileges to which it is entitled by this traditional position, particularly as regards the Spanish nationality of one member of the *Discreti* and of the *procureur de la Custodie*, and the election of the superiors of the various convents and religious establishments."

During the discussion of the constitution and competence of the promised Commission on Holy Places (Jerusalem and Bethlehem) it was pointed out that the majority of the interested Powers were Roman Catholic. Lord Balfour said that his Government had already promised that nominees for the Commission should be selected from a panel internationally chosen by some one of the League bodies. The British Government would reserve the right to submit additional names to the Council for approval. Christians, Mohammedans and Jews should all be represented. Great Britain would invite the Council to name a member of the Commission as its first chairman.

The Council's approval of these B and A mandates put an end to an effort that had been prolonged through more than two years, and had caused protracted negotiations with the United States as well as among the Allied Powers. The A mandate for Mesopotamia was not officially reported, but Lord Balfour said that it was still subject to negotiation with the United States. This must mean chiefly that the claim of the Standard Oil Co. to a share in Mosul oil had not yet been settled. Some said that the mandate for Mesopotamia ended with the treaty between Great Britain and Irak, recognizing the independent sovereignty of Irak.

The discussion over these A mandates was confined to private sessions of the Council on July 19 and 22. The agreements reached were announced in public session, the last one, on July 24. The orators of the occasion were M. Viviani, Marquis Imperiali and Lord Balfour, who took particular pains to assure Arab opponents of the mandate for Palestine that their interests had been carefully safeguarded. The President of the



Council read the following declaration, which the Council approved:

"In view of the declarations which have just been made, and of the agreement reached by all the members of the Council the articles of the mandates for Palestine and Syria are approved. The mandates will enter into force automatically and at the same time, as soon as the Governments of France and Italy have notified the President of the Council of the League of Nations that they have reached an agreement in certain particular points in regard to the latter of these mandates.

"The present negotiations will be resumed at Geneva on August 30, before the meeting of the next Assembly, expressly to solve the questions submitted for its decision under Article 14 of the mandate for Palestine"

17. *HUNGARIAN FRONTIER DISPUTES*—The Council of Ambassadors had invited the Council to settle questions that had arisen over the action of the Commission for Delimiting Boundaries of Hungary. The Commission proposed to return to Hungary a portion of the Buergenland (Oedenburg) district which had been given to Austria by the Peace Treaty. Some of this territory had voted for Hungary in a plebiscite. The Commission had voted to give other villages to Hungary, and Austria, taking its stand on the treaties, objected.

Another dispute of precisely similar nature arose over the decision of the Commission to return to Hungary a district containing 18,000 inhabitants, mostly Magyar, who had been assigned to Yugo-Slavia by the treaty. Yugo-Slavia objected.

The Council accepted the invitation from the Council of Ambassadors, and, after hearing representatives of all parties voted that M. Hymans should, with the help of the Secretariat, prepare a report on these questions for submission to the next session of the Council.

18. *PROTECTION OF MINORITIES*—The Polish Minister of Foreign Affairs informed the Council by letter that the Polish Government had suspended proceedings for the expropriation of some German farmers from Posen until the end of the next session of the Council (Cf. 18th Session, Vote No. 32). The Minister observed that the present procedure of the League about petitions hindered efforts of the Polish Government to establish good feeling between the German minority and the Polish population and authorities.

The Council voted that the Secretariat with the represen-

tative of Poland should present a report at the next session. The Council voted to accept responsibility for the protection of minorities in Upper Silesia under the German-Polish Convention of May 15, 1922.

The Genoa Conference forwarded to the League letters from the Hungarian and Bulgarian Governments complaining of treatment of their respective nationals by neighboring States. The accusations were general and did not specifically accuse any State. Bulgaria, presumably having Macedonia chiefly in mind, proposed three measures:

- a. The Balkan States should declare an amnesty allowing refugees to return to their homes.
- b. Their abandoned property should be restored.
- c. Clauses in the Peace Treaties safeguarding the rights of minorities should be enforced as soon as possible.

The Council authorized the Secretary-General to inform the Hungarian and Bulgarian Governments that it is always "ready to consider petitions or information concerning the protection of minorities \* \* \* brought to its notice by one of its members in conformity with the Minorities Treaties and the procedure in force prescribed by the Council."

19. *RUSSIAN REFUGEES AT CONSTANTINOPLE. ACCEPTANCE OF UNIFORM VISAS*—Dr. Nansen reported that he had collected £30,000, half of it being given by the American Red Cross. Six member-States had contributed—Great Britain, Belgium, Brazil, China, Czechoslovakia, Switzerland. Japan had promised 30,000 yen if all the other members of the Council contributed. M. Viviani said that France had already contributed much to this purpose, and Marquis Imperiali doubted whether national parliaments would vote further credits for Russian relief. The Council gave silent approval to Dr. Nansen's suggestion that he could use for the refugees an unexpended balance from his funds for repatriating war prisoners. The Council also voted that all interested Governments should be asked to adopt and recognize the identity certificate for Russian refugees, approved by a conference of Government delegates on July 3 to 5, 1922.

Mr Fisher said that Great Britain had granted £150,000 for finding employment for refugees from General Denikin's army who were in Egypt and the Greek islands. There was no parallel in history for the emigration of 1,500,000 from

Russia at a time when all European labor was in need of employment.

20. *VILNA DISPUTE*—The Secretary-General said that on June 30 the Polish Government had paid 200,000 gold francs as its share of expenses incurred by the League in the Vilna dispute, chiefly for the work of the Commission of Control.

21. *COMMISSION OF INQUIRY INTO RUSSIAN FAMINE*—The Genoa Conference having referred back to the League the request of the Norwegian Government for a Commission of Inquiry into economic effects of the Russian famine and into the possibility of re-establishing Russian agriculture, the Council voted that the Secretariat should collect from Governments and relief agencies all information about Russian famine conditions and submit it to the Council. If the information is considerable it shall be given to a Commission of experts to study and report upon, with the purpose of showing the connection between the Russian situation and European reconstruction.

22. *REPORT OF HEALTH COMMISSION ON DISEASES IN NEAR EAST AND IN CENTRAL AFRICA*—The Council received voluminous reports concerning the work of the League Health Organization, on the work of its session at Paris, May 11-16, and on inquiries into the prevention of disease along the Suez Canal, on the Red Sea and along the routes of the Mecca Pilgrimage, on the Mediterranean Littoral and at Constantinople and Black Sea ports, with maps and text of proposed changes in the International Sanitary Convention of 1912. (See Official Journal for August, 1922, Part II, pages 932-978.) The Council adopted resolutions presented by M. Viviani and summarized thus:

"The Council decided to draw the attention of the Governments to the International Sanitary Conference, which will be convoked in the near future by the French Government, with a view to revising the international sanitary convention of 1912. It sent to the Office International d'Hygiene Publique, for the purposes of study, the revised text of Parts II, III and IV of the International Sanitary Convention prepared by the Health Committee of the League, as a result of first-hand study of present-day public health problems in the Near East. It authorized the Secretary-General to place the technical services of the League of Nations at the disposal of the French Government and of the Conference.

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"The Council expressed its gratitude to the Rockefeller Foundation, which has decided to place at the disposal of the Health Organization of the League the sum of \$30,000 annually in order to assure, during five years, an epidemiological and statistical intelligence service on a large scale; as well as the sum of \$60,000 yearly during three years, to assure the interchange of sanitary staff, as recommended by the Health Committee at its last session. Each State is, however, of course free to take the attitude it judges best on the subject of this interchange. At its session in August the Health Committee will draw up a detailed program for the use and administration of the sums received from the Rockefeller Foundation.

"The Warsaw Conference had insisted upon the necessity of including among the members of the Health Organization of the League experts belonging to States which are not members of the League of Nations, such as Germany and Russia. The Council decided to invite the Health Committee to co-opt a member of German nationality. It has also authorized the Secretary-General to remind the States which took part in the Genoa Conference, that by that Conference, European Governments were invited to consider urgently the application of the principles of the fight against epidemics and sanitary protection adopted at Warsaw, and to address an appeal to their respective Governments for funds."

23. *SANITARY CONVENTIONS*—The Warsaw Conference prepared a model draft convention for States involved in the struggle against epidemics. Such a convention, just concluded between Latvia and Poland, was submitted to the Council. It assigns to the League Health Organization the part of a mediator and collaborator, and the Council authorized such action.

24. *REDUCTION OF ARMAMENTS*—M. Viviani presented a report upon the session of the Temporary Commission at Paris, July 3-7, over which he had presided. He spoke of Lord Esher's plan, which allowed to each nation an arbitrarily limited number of soldiers, and of Lord Robert Cecil's plan, which regarded disarmament as practicable only if it were universal and simultaneous and linked with regional guarantees. He thought that the latter plan belonged in the Assembly rather than in a commission. The Council voted that the Governments should be informed that the question of procedure in this matter would come before the Third Assembly.

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and that they should consider the advisability of convening another international conference.

The Council approved resolutions proposed by M. Viviani and summarized as follows:

(a) Through the Commission on Intellectual Co-operation, scientific men should be asked to publish all discoveries concerning poisonous gases and chemical warfare.

(a) Member-States should be ready to ratify the Convention of St. Germain "for the cause of universal peace."

(c) Governments are asked to send statements of their armament requirements before August 15.

(d) By the same date replies about the limitation of military budgets should be received.

(c) By the end of July the Naval Subcommittee of the Permanent Armaments Commission should report on the application of the principle of limitation of naval armament, adopted at the Washington Conference.

(f) The Permanent Commission should make a technical report on Lord Esher's plan for limiting land armaments.

25. *THE OPIUM TRAFFIC*—It was reported that the system of import certificates recommended by the Opium Advisory Committee for controlling the traffic in opium and dangerous drugs has, up to the present date, been accepted by twenty States-Members of the League:

Austria, Belgium, Canada, China, Czechoslovakia, France, Great Britain and her colonies, Greece, Haiti, India, Italy, Japan, Netherlands, New Zealand, Norway, Peru, Poland, Portugal, Siam, South Africa.

Germany has also agreed to use the import certificates. As regards the United States of America, information has been received, through the Netherlands Government, that the United States Government already has in practice a system of control by means of import certificates somewhat similar to the one recommended by the Advisory Committee.

26. *ARMENIA*—The Council was of the opinion that it could take no new action concerning the Armenian desire for national independence.

27. *GENOA CONFERENCE WORK*—The Council noted that the Genoa Conference had transmitted to the League the matters presented at Genoa relating to economic, financial,

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transport, health, and social questions, which would increase the work of the Secretariat.

**28. REPORT OF THE ECONOMIC AND FINANCIAL COMMISSION**—A report of the Economic Section was accepted as a report of progress. The Financial Section was also asked to continue its investigation of the stabilization of currencies, and the evasion of taxes.

The Council approved the transfer of the headquarters of this section from London to Geneva, where it will be administered as a part of the Secretariat.

On a favorable report from this Section, the Council accepted the role of arbiter provided for it in the contract between Baring Brothers and Czechoslovakia.

The Council approved the action of the Financial Section in sending to Albania, at the expense of the Albanian Government, M. Calmes, an expert economist from Luxemburg, to make a survey of economic and financial conditions in that country. When his report is presented to the Council the Council will be ready to appoint a permanent financial adviser for Albania.

The Council congratulated the Financial Committee upon its plans and efforts for the financial reconstruction of Austria. (Cf. Official Journal for August, 1922. Part II, pages 986-1005.)

The last act of the Council in this Session, at the public meeting on July 24, when the approval of the two A Mandates was proclaimed, was a graceful tribute by Marquis Imperiali to Lord Balfour upon the occasion of the latter's seventy-fifth birthday, which was due on the following day, Tuesday July 25.

The Council adjourned to meet again in Geneva on August 30.

## CHAPTER VII.

### REPARATIONS — THE BALFOUR NOTE — AMERICAN AFFAIRS—COMMISSIONS ON INTELLECTUAL CO-OPERATION AND MANDATES.

#### *South African Assembly Ratifies Washington Treaties.*

On July 19 the Assembly of the South African Union, on motion of Premier Smuts, approved bills embodying the Washington treaties and thereby ratifying them.

#### *First Session of the Saar Valley Advisory Council.*

The Council elected on June 25 assembled for the first time on July 19. All the groups united in declaring the powers of the Council too limited, and in demanding that they be recognized as a real legislature for the valley.

The members supported a program calling for the withdrawal of French troops from the valley, the removal of alien officials and in general the cessation of any and every measure intended to Frenchify the people enough to swing the plebiscite in 1935 in favor of annexation to France.

#### *Reparations.*

The Committee on Guarantees returned to Paris from Berlin on July 19, and it was officially announced in Berlin the next day that the German Government had agreed to accept as a condition of the desired moratorium, supervision of its budget, of exports and imports, of the recovery of hidden capital and of the publication of statistics. On the 21st Premier Poincare wrote to M. Louis Dubois, President of the Reparations Commission, advising him that the German moratorium must not be for more than six weeks, and even so Germany must give supplementary guarantees. On the same day the Reparations Commission, considering Austrian reconstruction, decided that if the terms of the law creating the new Austrian bank of issue were satisfactory, the Commission would be prepared to release for a period of twenty years the revenue from forests, salt mines and State domains as security for the bank. The Commission is further prepared in principle to liberate the revenues from the customs and tobacco monopoly, so that it may be used as security for foreign loans, but reserves

definite approval of the release until the Austrian Government submits a concrete loan proposal.

The same revenue may be equally applied as security for loans granted, or already being negotiated, by England, France, Czechoslovakia and Italy. The Commission will reserve the right to examine the utilization of these revenues.

On the 22d the Commission issued a long memorandum minutely explaining how the supervision of German finances would be exercised by the Guarantees Committee.

The Commission also made public a letter from Chancellor Wirth, accepting the supervision for the duration of the moratorium.

On the 21st it was announced that Bulgaria had definitely refused to permit a similar control in Bulgaria in return for a three-year moratorium there.

On the 23d it was stated at Paris that Poincare had agreed to a meeting of Premiers in London about August 1 to discuss these matters and many others. As Belgium and Italy were to be invited to send representatives, the meeting would amount to an assembly of the Supreme Council, which M. Poincare has always objected to. It was evident, however, that the downfall of the Facta Ministry in Italy before Mussolini and the Fascisti and the difficulty of forming a Cabinet that could command a majority in the Italian Chamber might postpone the meeting of the Premiers.

#### ***Chilean-Peruvian Conference. Tacna-Arica.***

The representatives of Chile and Peru who began on May 15 at Washington an attempt to settle their long-standing controversy over the Tacna-Arica territory reached on July 8 a virtual agreement. Secretary Hughes exerted a strong influence for a friendly solution, in which Chile consented to accept the plan that had been favored by Peru.

Disputes over details and phraseology consumed another fortnight, so that the protocol was not signed until July 21 in the Pan-American Building at Washington.

The important items of the agreement are these:

1. The only difficulties are those arising from the unfulfilled provisions of Article 3 of the Treaty of Ancon. (This refers to the plebiscite in the Tacna—Arica districts which, by the Treaty of Ancon, should have been held in 1894.)

2. These difficulties shall be referred to the President of the United States, whose decision, as arbitrator, shall be



final. He shall hear both parties and determine all questions of procedure.

3. The President shall have power to decide whether a plebiscite shall be held or not.

If it is held he shall determine all conditions for holding it.

4. If there is no plebiscite, Chile and Peru may resume negotiations and meanwhile the existing administrative organization of those provinces shall not be disturbed.

5. If the negotiations fail Chile and Peru shall ask for the "good offices" of the United States Government, "in order that an agreement may be reached."

6. Pending claims relative to Tarata and Chilcaya are included in the arbitration.

7. Three months are allowed for approval of this agreement by the Governments of Chile and Peru, ratification to be exchanged at Washington\*

This agreement was promptly approved by the Peruvian Government which means by President Leguia, who is an absolute dictator. The final ratification by the Peruvian Congress took place on September 13. The vote was 94 to 8. In Chile the protocol met with more difficulty. The Senate professed resentment against the Minister of Foreign Affairs, on the ground that he had promised to keep the Senate informed of every step in the negotiations at Washington and had failed to do so. The immediate result was the resignation of the Minister and the whole Cabinet retired with him. The new ministry was made up of members of the opposition (Unionist) party. President Alessandri, who belongs to the Radical Party, announced that he would take the platform and appeal directly to the people to uphold the proposed settlement with Peru.

On October 16 the Chilean Senate approved the agreement, but with reservations which would practically mean the re-opening of long negotiations. The President met this vote by appointing the two Chilean delegates to Washington to the two principal positions in his Cabinet.

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\*Cf. Bulletin of Pan American Union for September, 1922, p. 217, and Foreign Affairs for September, 1922, vol. 1 No. 1, p. 29.

***United States and Mexico.***

On July 19 Senator Ladd of North Dakota delivered in the Senate a speech\* criticizing the policy of this Government toward Mexico and especially its failure to recognize the Government of General Obregon. From the State Department on the next day came an answering statement, which may be summarized thus:

1. One of the first acts of Secretary Hughes with reference to Mexico was the proposal that as a preliminary to full recognition the two nations should conclude a treaty of amity and commerce, which should contain guarantees of titles of American ownership to property in Mexico which has been practically confiscated under one or another of the Governments existing in Mexico since the fall of Diaz. Many of these titles long antedated the Mexican Constitution of 1917, and there must be guarantees that Article 27 of that Constitution will not be applied retroactively. Expropriation in forms which to the American Government seem synonymous with confiscation, appear to be sanctioned by the laws and Constitutions of some of the Mexican States. President Obregon, out of his full knowledge of the Mexican Congress with which he must deal, has said that he could not sign such a treaty, and that recognition must precede treaty-making

2. The international banking agreement about the payment of the Mexican debt, signed in New York on June 16, by Mexican Finance Minister de la Huerta and representatives of the creditors of Mexico has not yet been approved by the Mexican Government. (It was approved by President Obregon on August 7.)

3. The same comment applies to the agreement about Mexican oil made in Mexico City between American oil companies and representatives of the Mexican Government

4. Decisions of the Mexican Supreme Court are said to deny retroactivity for Article 27 of the Mexican Constitution about titles to real property, but it has been impossible as yet for Washington to find out how comprehensive these decisions are. It is said that decisions of the Mexican Supreme Court are not regarded in that country as authoritative, except in the specific case for which the decisions were rendered.

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\*See Cong. Record, 67th Congress 2d Session, vol. 62, No. 184, pp. 11295-11304. See also Pamphlet No. 187 of the Amer. Assoc. for International Conciliation

### ***Moratorium on German Payments for Private Claims Refused.***

On July 25 the Allied Compensations Office at Paris decided that the monthly payments of £2,000,000 by Germany in liquidation of claims of Allied nationals against Germany must be continued. The German Government on August 1 reiterated that it was unable to make this payment, and on the same date the French Government demanded assurances within four days that these payments would be made as usual on the 15th.

"Should such assurances not be forthcoming the French Government will have the right, in order to insure application of the existing agreement (i. e., of June 10, 1921), to take such measures of retorsion as it will deem necessary both in the interests of its citizens and those of the other Allied signatory States."

### ***The Empire of Oil.***

July 22 it was announced in London through the Associated Press that the Deutsche Petroleum Gesellschaft and the Deutsche Bank had obtained from the Soviet Government a petroleum concession near Baku, and that the Deutsche Bank had received permission to open a branch in Moscow. It was also stated that the oil concession related to lands which have not been owned by foreigners. This is significant, since it shows that Germany, like the United States, will respect the agreement at The Hague Conference to refrain from business deals with Soviet Russia about property that has been confiscated from foreigners.

### ***The Hague Tribunal of Arbitration.***

On July 22 in the Peace Palace at The Hague, where the Permanent Court of International Justice is still in session, the Tribunal of Arbitration met to consider the case of Norway's claim for indemnity from the United States for the action of the United States Government in seizing during the war ships that were being constructed or that had been ordered for use in Norway. The United States Shipping Board and the Norwegian Government had been unable to agree upon the fair compensation for these cancellations of contract. Norway claims \$6,500,000. The United States Shipping Board offered to pay \$2,500,000.

This is the nineteenth case brought before the Arbitral

Tribunal since its establishment in 1899. The members of the tribunal for this case are Chandler Anderson of New York for the United States, M. S. Vogt of Christiania for Norway and M. Vallotton of Lausanne, named by the President of Switzerland.

### ***The Governing Body of the Labor Office.***

The Governing Body held its thirteenth session at Inter-laken, Switzerland, July 25, 27, 1922.

With reference to questions about native labor, especially in countries subject to mandate, it was voted to entrust the study of these questions to the Diplomatic Division of the Labor Office (cf., Article 421 of the Treaty of Versailles and Article 22 of the Covenant).

It was voted to consider at the next session whether factory inspection in various countries should be discussed at a future conference.

An outline of a report on unemployment for the next Conference was approved.

It was voted in connection with the work of the Joint Maritime Commission, to continue the studies of the conditions of labor among fishermen, of social insurance for seamen, of the regulation of deck cargoes, of an international seamen's code, of a system of international insurance against unemployment for seamen, of regulation of hours of labor in the mercantile marine.

It was voted to accept financial assistance from national organizations of disabled men for the preparation of a record of what is done to train them for industrial life. The director was asked to help in securing international agreements for the benefit of disabled men residing outside of their own countries.

With reference to the work of the International Emigration Commission, it was voted that the Labor Office should immediately study

(a) Equality of treatment for foreign and national workers;

(b) Limitation of the cost of relief granted to immigrants by the country of immigration;

(c) Connotations of term "emigrant" and factors of the emigration problem.

It was voted that Sweden should have a representative on the Anthrax Committee.

It was voted to accept the duties assigned to the Governing Body in the Germano-Polish Convention of May 15, 1922, in the Constitution of a Labor Advisory Committee for Upper Silesia under the Mixed Commission. M. Albert Thomas was named Chairman of this Advisory Committee by agreement of Poland and Germany.

At the request of the Italian Government, the Governing Body appointed a committee to regulate the transfer of social insurance funds in territories formerly Austrian but now ceded to Italy.

The director was instructed to collaborate with the League Commission on Intellectual Co-operation, and to present at the next Conference a report on the distribution of raw materials.

### ***United States Recognizes Four New States.***

On July 27 the State Department at Washington made known an important reversal of President Wilson's foreign policy in according full recognition to the republics of Estonia, Latvia, and Lithuania. President Wilson's Administration had refused to recognize an alienation of Russian territory until Russia could return to international councils and make known its wishes.

Inasmuch as Soviet Russia had already entered into diplomatic relations with these three Baltic States, this act of the Harding Administration might be construed as an indirect acknowledgment that Soviet Russia had at least come to stay. On the same date the State Department gave full recognition to Albania also.

### ***International Investigation of Atrocities.***

The proposed inquiry into atrocities in Asia Minor, which the Governments of Great Britain, France, Italy and the United States were to make, having been balked by the refusal of the Angora Government to permit such inquiries in Turkish territory unless made by unprejudiced or neutral parties, the State Department at Washington announced on July 27 that such an investigation would be entrusted to the International Red Cross.

### ***Lloyd George and the League.***

In a speech in London, July 28, before the National Council  
\* \* \* When the match has been dropped into the explosives it is no good brandishing the Covenant of the League of Nations in the face of the explosion."

### ***Japanese-Russian Conference.***

On July 29 it was made known that Japan had invited the Far Eastern Republic and Soviet Russia to a conference concerning the Japanese evacuation of Siberia, and that the Russians had accepted the invitation. After many delays the conference opened on Tuesday, September 5, at Chang Chun-fu in Manchuria. The delegation from Moscow and Chita was practically one, with Adolf Joffe of Soviet Russia at its head. The conference was reported as deadlocked on September 7 over the refusal of Japanese full recognition of Soviet Russia, and as resuming negotiations on September 10.

### ***First Decision of the World Court.***

July 31 the Judges of the World Court rendered their first decision, affirming that when a Government and the labor unions are unable to agree in the nomination of an employee delegate to an international labor conference the final decision rests with the Government.

### ***The Balfour Note on Allied Indebtedness.***

The British Government on August 1 communicated a substantially identical note to the Governments of France, Italy, Yugoslavia, Rumania, Portugal and Greece. A copy of the note was sent to the American Embassy in London for transmission to Washington.

The note was signed by Earl Balfour as Acting Secretary of State for Foreign Affairs. The gist of the note is that as Great Britain must pay its debts to the United States it cannot cancel the debts of the Allies to Great Britain. The British Government will not try to collect more than it must pay. It would prefer a general cancellation of debts and if that could be obtained, it would abandon all claims upon German reparations. The full text of the note is as follows:

"As your Excellency is aware, the general question of the French debt to this country has not as yet been the subject of any formal communication between the two Governments, nor are his Majesty's Government anxious to raise it at the present moment. Recent events, however, leave them little choice in the matter and they feel compelled to lay before the Government their views on certain aspects of the situation created by the present condition of international indebtedness.

"Speaking in general terms, the war debts, exclusive of interest, due to Great Britain at the present moment amount

in the aggregate to about £3,400,000,000, of which Germany owes £1,450,000,000, Russia £650,000,000 and our Allies £1,300,000,000. On the other hand, Great Britain owes the United States about a quarter of this sum, say £850,000,000, at par of exchange, together with interest accrued since 1919.

"No international discussion has yet taken place on the unexampled situation partially disclosed by these figures and pending a settlement which would go to the root of the problem his Majesty's Government have silently abstained from making any demands upon their Allies, either for payment of interest or repayment of capital. But if action in the matter has hitherto been deemed inopportune, this is not because his Majesty's Government either underrates the evils of the present state of affairs or because they are reluctant to make large sacrifices to bring it to an end. On the contrary they are prepared, if such a policy formed part of a satisfactory international settlement, to remit all the debts due to Great Britain by our Allies in respect of loans or by Germany in respect of reparations.

"Recent events, however, make such a policy difficult of accomplishment. With most perfect courtesy, and in the exercise of their undoubted rights, the American Government have required this country to pay interest accrued since 1919 on the Anglo-American debt, to convert it from an unfunded to a funded debt, and to repay it by a sinking fund in twenty-five years. Such procedure is clearly in accordance with the original contract. His Majesty's Government make no complaint of it; they recognize their obligations and are prepared to fulfill them. But evidently they cannot do so without profoundly modifying the course which in different circumstances they would have wished to pursue. They cannot treat the repayment of the Anglo-American loan as if it were an isolated incident in which only the United States of America and Great Britain had any concern. It is but one of a connected series of transactions in which this country appears, sometimes as debtor, sometimes as creditor, and if our undoubted obligations as debtor are to be enforced, our not less undoubted rights as creditor cannot be left wholly in abeyance.

"His Majesty's Government do not conceal the fact that they adopt this change of policy with the greatest reluctance. It is true that Great Britain is owed more than it owes and that if all interallied war debts were paid the British Treasury would on the balance be a large gainer by the transaction, but

can the present world situation be looked at only from this narrow financial standpoint? It is true that many of the Allied and Associated Powers are as between each other creditors or debtors or both, but they were and are much more. They were partners in the greatest international effort ever made in the cause of freedom and they still are partners in dealing with some at least of its results. Their debts were incurred, their loans were made, not for the separate advantage of particular States, but for the great purpose common to them all and that purpose has been in the main accomplished.

"To generous minds it can never be agreeable, although for reasons of state it may perhaps be necessary, to regard the monetary aspect of this great event as a thing apart, to be torn from its historical setting and treated as no more than ordinary commercial dealing between traders who borrow and capitalists who lend.

"There are, moreover, reasons of a different order to which I have already referred which increase the distaste with which his Majesty's Government adopt so fundamental an alteration in the method of dealing with loans to Allies. The economic ills from which the world is suffering are due to many causes, moral and material, which are quite outside the scope of this dispatch, but among them must certainly be reckoned the weight of international indebtedness with all its unhappy effects, upon credit and exchange, upon national production and international trade. Peoples of all countries long for a speedy return to the normal, but how can the normal be reached while conditions so abnormal are permitted to prevail, and how can these conditions be cured by any remedies that seem at present likely to be applied?

"In no circumstances do we propose to ask more from our debtors than is necessary to pay to our creditors, and while we do not ask for more all will admit that we can hardly be content with less, for it should not be forgotten though it sometimes is, that our liabilities were incurred for others, not for ourselves. Food, raw material and munitions, required by the immense naval and military efforts of Great Britain and half the two thousand billion sterling advanced to the Allies were provided, not by means of foreign loans, but by internal borrowing and war taxation.

"Unfortunately a similar policy was beyond the power of other European nations. An appeal was therefore made to the Government of the United States and under an arrange-



ment then arrived at the United States insisted, in substance if not in form, that though our Allies were to spend the money it was only on our security that they were prepared to lend it. This co-operative effort was of infinite value to common cause, but it cannot be said that the role assigned in it to this country was one of special privilege or advantage.

"For evidently the policy hitherto pursued by this country of refusing to make demands upon its debtors is only tolerable so long as it is generally accepted. It cannot be right that one partner in a common enterprise should recover all that she has lent and that another, while recovering nothing, should be required to pay all that she has borrowed. Such procedure is contrary to every principle of natural justice and cannot be expected to commend itself to the people of this country. They are suffering from an unparalleled burden of taxation, from immense diminution in national wealth, from serious want of employment and from severe curtailment of useful expenditure.

"These evils are courageously borne but were they to be increased by an arrangement which, however legitimate, is obviously one-sided, and the British taxpayer would inevitably ask why he should be singled out to bear the burden which others are bound to share. To such a question there can be but one answer and I am convinced that Allied opinion will admit its justice.

"But while his Majesty's Government are thus regretfully constrained to request the French Government to make arrangements for dealing to the best of their ability with the Anglo-French loans, they desire to explain that the amount of interest and repayment for which they ask depends not so much on what France and other Allies owe to Great Britain as on what Great Britain has to pay America. The policy favored by his Majesty's Government is, as I have already observed, that of surrendering their share of German reparation and writing off through one great transaction the whole body of inter-Allied indebtedness, but if this be found impossible of accomplishment, we wish it to be understood that we do not in any event desire to make a profit out of any less satisfactory arrangement.

"Before concluding I may be permitted to offer one further observation in order to make still clearer the spirit in which His Majesty's Government desire to deal with the thorny problem of international indebtedness. In an earlier passage of this dispatch I pointed out that this after all is not a ques-

tion merely between the Allies; ex-enemy countries also are involved, for the greatest of all international debtors is Germany. Now His Majesty's Government do not suggest that, either as a matter of justice or expediency, Germany should be relieved of her obligation to France or the other allied States. They speak only for Great Britain and they content themselves with saying once again, so deeply are they convinced of the economic injury inflicted on the world by the existing state of things, that this country would be prepared, subject to the just claims of other parts of the empire, to abandon all further right to German reparation and all claims to repayment by the Allies, provided that this renunciation formed part of a general plan by which this great problem could be dealt with as a whole and find a satisfactory solution. A general settlement would, in their view, be of more value to mankind than any gains that could accrue even from the most successful enforcement of legal obligations."

The immediate result of this note was the frustration of the plan that M. Poincare had thought of presenting at the meeting of the Premiers, or Supreme Council, in the following week, a plan for a reduction of German reparations in return for a cancellation of French debts to the British.

The possibility of reducing the German indemnity depended chiefly on the willingness of France and Belgium to abandon their claims for payments to cover cost of pensions and allowances. These claims amounted to 80,000,000,000 gold marks out of the total of 132,000,000,000 which Germany is now required to pay.

### ***China Ratifies Treaties.***

The Commission on Abolition of Extra Territorial Rights in China, agreed upon at the Washington Conference, should have met on May 6. On May 3 the Chinese Government at Peking announced that on account of the Civil War in China it wished to postpone the meeting of the Commission.

On the 6th the Peking Government ratified the Washington Conference treaties to which China was a signatory Power, and also the Shantung treaty with Japan.

The Constitutional Parliament of China, dissolved by the army leaders in 1917, reassembled in Peking on August 1 with a quorum in both Houses. This was the result of Wu-Pei-Fu's victory May 2-4 over Chang Tso-liu, military governor of Manchuria, and it showed that his announcement of policies had

won over many deputies who had hitherto adhered to Sun Yat Sen's Government in Canton. Wu Pei-fu is military governor of the central provinces (the Yang-tze valley).

At the same time Chang Tso-lin from Mukden issued a declaration of independence for Manchuria under himself as ruler.

August 10 Sun Yat Sen gave up the struggle to regain his power in Canton, from which he had been driven on June 16, and he was carried by a British gunboat to Hong Kong. From there he went to Shanghai and entered into negotiations with the Peking Government.

But the control of China by various military governors or army leaders was still unbroken.

#### ***Commission on Intellectual Co-operation.***

This Commission held its first session at Geneva from August 1 to August 5.

The members of the Committee had been chosen by the Council of the League as follows:

M. D. N. Banerjee, Professor of Political Economy at the University of Calcutta.

M. H. L. Bergson, Honorary Professor of Philosophy at the College of France.

Mlle. Bonnevie, Professor of Zoology at the University of Christiania, Norwegian delegate to the Assembly of the League of Nations.

M. A. de Castro, director of the Medical Faculty at the University of Rio de Janeiro.

Mme. Curie Sklodowska, Professor of Physics at the University of Paris.

M. J. Destree, formerly Minister of Science and Fine Arts; member of the Royal Academy of Archaeology of Belgium.

M. Albert Einstein, Professor of Physics at the University of Berlin.

Dr. Geo. E. Hale, Director of the Mount Wilson Observatory in California.

Professor Gilbert A. Murray, Professor of Greek Philosophy at Oxford University; Delegate for South African Union to the Assembly of the League of Nations.

M. G. de Reynold, Professor of French Literature at Berne University;

M. F. Rutfini, Professor of Ecclesiastical Law at Turin

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University; President of the Union of the Associations for the League of Nations;

M. L. de Torres Quevedo, Director of the Electro-Mechanical Laboratory of Madrid.

All members were present except Professor Einstein and Dr. Hale. Professor Einstein's absence was attributed to preparation for a visit to Japan, but was possibly due to doubt of his reception by some of the French-speaking members. Dr. Hale was represented by Professor R. A. Millikan, Director of the Norman Bridge Laboratory of Physics in California Institute of Technology at Pasadena.

Professors Bergson and Murray were, respectively, chosen to be Chairman and Vice Chairman.

The Assembly and Council of the League had left it to the Commission itself to determine how the League of Nations might assist in the organization of intellectual workers and their aims. To such a question the Commission promptly devoted itself. The subject was studied in the following aspects:

1. Conditions of intellectual labor in various countries. With special regard to economic difficulties, the Commission decided that it would be ready to supply the Council and Assembly with accurate information on the subject, and to act as an agent for remedial measures. Professor de Reynold and Mme. Curie were asked to prepare reports on conditions in Austria and Poland, respectively.

2. Professor Millikan will report on the creation of an international office for loans and credits for the promotion of scientific research. The Commission decided that while it would gladly facilitate collaboration in scientific research, if asked to do so, the determination and scope of such co-operation would belong to the various learned societies.

3. Protection of intellectual property, especially of the ideas in scientific discoveries was referred to a sub-committee (MM. Destree, Millikan, Ruffini and Torres Quevedo), which is advised to consult particularly the Berne International office for Literary and Industrial Property, the International Research Council (of which Drs. Hale and Millikan are officers) and the Confederation of Intellectual Workers.

4. M. Ruffini will report on the drafting of an international agreement for the discovery and publication of monuments of antiquity. Such an agreement might comprise:

- (a) List of sites not yet properly explored;
- (b) Plan of research;
- (c) Rules for methods of research;
- (d) Rules for the preservation and disposal of items discovered.

5. A sub-committee (MM. de Castro, Destree, Millikan, Murray, De Reynold) will have charge of a plan for an international congress of all universities of all countries. Items suggested for the agenda are:

- (a) Exchange of professors and of students;
- (b) Equivalent values of courses and degrees;
- (c) International scholarships;
- (d) International vacation courses;
- (e) A clearing house for information.

6. Conventions for the exchange of publications, drawn up at Brussels in 1886 should be improved, expanded and more widely known and obeyed. Non-official publications should be included, and free postage should be conceded.

7. The Commission entrusted to a sub-committee (Mme. Curie and M. Destree) the task of studying the organization of international bibliography. The two members of the sub-committee will have power to increase it by co-opting a number of expert bibliographers on the one hand and of specialists on the other.

8. The Commission considered the creation of one or more international libraries, and the recognition of a legal international obligation to deposit books in them.

9. In answer to an inquiry from the Mixed Commission on Reduction of Armaments, the Commission decided that it was futile to ask scientists to publish their discoveries concerning poison gas.

### ***Commission on Mandates.***

The Mandates Commission was in session at Geneva from August 1 to 7, and devoted the time to examination of the reports made by Mandataries. This was the second session of the Commission, and the first one for the review of a year's administration of mandated areas.

The reports upon C Mandates were examined in the presence of representatives of the Mandataries (Australia, New Zealand, Japan), except that no representative of the South African Union was in attendance (for Southwest Africa). The

Commission found only two points for question. In all the Pacific Islands there were Chinese workmen, brought there on account of lack of native labor. The Commission decided to ask the Mandataries about measures to protect these workmen and to prevent social evils that might arise from their presence. The second question related to the phosphate island of Nauru, under British mandate, administered by Australia. The phosphate business is controlled by Commissioners appointed for an indefinite term by the Governments of Great Britain, Australia and New Zealand, while the administration of the mandate is in the hands of an officer appointed for five years by the Australian Government. The Commission questioned whether such a monopoly of the only business of the island was compatible with the Covenant.

Sir Joseph Cook, Australian representative, explained that an English company had formerly owned the phosphate deposits and that the three Governments had bought its rights for £3,500,000, that they do not derive a profit from the monopoly, and that the phosphate Commissioners are not regarded by the Government as free to control conditions of labor. It was further explained that Nauru has 5,000 acres. The population is all on the coast. The phosphate deposits are all in the center of the island, in an area uninhabited and non-productive. Forty-two percent of the phosphate output is said to go to Australia, a like amount to New Zealand, and 16 percent to Great Britain.

In the B Mandates the Commission asked for special information about the sale of liquor, the prevention of disease, the freedom of economic opportunity, the national status of inhabitants of mandated areas, and the systems of land tenure among natives and their rights to unappropriated lands.

#### ***Council of Ambassadors Warns Bolivia.***

The Council of Ambassadors decided, August 2, to send a note to the Bolivian Government warning the officials of that nation that in no circumstances would the Allied Powers tolerate the reconstruction of the so-called pre-war Military Council in Bolivia, which was largely composed of German staff officers. The Allied nations have been informed that one of the German officers had already arrived in Bolivia and begun the work of reorganization of the Bolivian Army and that another is on the way from Berlin.

Bolivia is reminded in the Council's communication that

as a signatory of the Treaty of Versailles she, as well as all the other signatory Powers, is strictly prohibited from employing German officers as advisers of her army or navy.

Article 179 of the Treaty of Versailles reads:

"The Allied and associated Powers agree, so far as they are concerned, from the coming into force of the present treaty, not to enroll in nor to attach to their armies or naval or air forces any German national for the purpose of assisting in the military training of such armies or naval or air forces, or otherwise to employ any such German national as military, naval or aeronautic instructor."

### ***Japanese Withdrawal from Siberia.***

August 2 it was officially announced at Tokio and Washington that the first withdrawal of Japanese troops from the maritime province of Siberia had been begun under orders issued on July 28, and on August 9 it was likewise announced that the occupied territory would be evacuated by October 1.

### ***German Payments on Account of Private Claims.***

On August 4 the German Government in a note to French Government reaffirmed its earlier utterances concerning the monthly payments of £2,000,000, requesting a reduction to £500,000. The French Government threatened an expulsion of Germans from Alsace-Lorraine and levies upon their property.

Meanwhile on August 3 in a meeting of the Reparations Commission, the British representative, Sir John Bradbury, offered a resolution to accept the German proposal and to give a moratorium on reparation for the rest of the year, but France, Belgium and Italy voted against the resolution. It was then decided to adjourn discussion of this matter until after the meeting of the Supreme Council, beginning on Monday, August 7.

### ***Conference of Premiers, or Supreme Council.***

The Supreme Council met at 10 Downing Street in London on August 7 and received a French plan for guarantees of German payment, which was referred to a committee of Allied Finance Ministers and associated experts. The Council adjourned on August 14 without agreement on the payment of reparations.

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The British proposal, supported by Belgium, Italy and Japan, was as follows:

"First, to adopt the Italian suggestion of adjournment of the discussion till the latter end of the year; secondly, to leave the moratorium to the decision of the Reparation Commission; thirdly, to agree to immediate application of the guarantees already laid down by the Committee on Guarantees, and, fourthly, that Great Britain would agree to make no claim until after the adjourned meeting of the Council upon the Allies in respect to either the interest or capital of the debts they owe her.

"This program was accepted and approved by all the delegates except M. Poincare. He declared with much regret that France could not agree to grant any moratorium to Germany unless she gave first 'gages and guarantees.'"

The guarantees proposed were not favored by the experts nor by the majority of the Council. Concerning the German payments on claims of Allied nations, the Council decided that Germany must pay £2,000,000 within four weeks, and that afterwards each Government must make its own terms with Germany, subject to approval of the Reparation Commission.

The Council listened on August 14 to an appeal from Austria for financial aid, and referred the matter to the League of Nations. Austria asked for a new loan of £15,000,000. Mr. Lloyd George said that England had already loaned Austria £12,500,000. France this year had loaned Austria 55,000,000 francs, and Italy 280,000,000 lire.

### ***Ratification of the Washington Treaties.***

The Dominion Governments and Parliaments having signified assent, the royal signature was, on August 10, in London, affixed to the Washington Armament treaties. At the same time it was announced in Tokio that Japan would begin scrapping war tonnage as soon as ratifications by the three chief naval Powers had been exchanged at Washington.

### ***Claims of American Nationals Against Germany.***

August 10 an agreement between the United States and Germany was signed at Berlin for the establishment of a mixed claims commission to fix the amounts of American claims against Germany. The United States will name one commissioner; the German Government will name another.



A third member is to be selected by the two Governments. The German Chancellor asked the United States Government to name an American citizen as this third member, and President Harding named Justice William R. Day of the Supreme Court.

### ***French "Retorsion" Upon Germany.***

On the morning of August 11 was begun the expulsion of 500 Germans from Alsace-Lorraine. These were persons who had failed to apply for French citizenship or to whom it had been denied. This action was a French answer to the German opposition to the monthly payment of £2,000,000 to satisfy claims of private citizens. The sum actually paid by the German Government on August 15 into the British and French clearing offices on account of debts to Allied nationals was £500,000. This payment was accompanied by a declaration that, by reason of the fall in the value of the mark and of the need to buy foreign currency to pay foodstuffs, Germany could not pay more than £500,000.

### ***Decisions by the Permanent Court.***

On August 12 the Permanent Court ended its first ordinary session, which had begun on June 15. Upon the questions concerning the competence of the International Labor Organization with reference to agricultural labor, the Court rendered opinion that international regulation of conditions of agricultural workers is within the proper scope of the powers of the organization, but that it is not empowered to consider the means of production in itself. This last statement answers the supplementary question raised by the French Government\*

Under Article 29 of the Fundamental Statute of the Court, the Court constituted a Chamber for Summary Procedure for the year 1923, as follows:

President Loder (Holland), Judge Weiss (France), Judge Moore (U. S. A.), members; Lord Finlay (England) and Judge Altamira (Spain), substitutes.

### ***Health Commission.***

The League Public Health Commission held an important meeting at Geneva, August 14-21.

The Health Organization is the mediator in the sanitary

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\*A full account of the proceedings in the Court upon the questions relating to powers of the Labor Office can be found in the Official Bulletin of that Office, Vol. VI, Nos 3., 4, 7, 8, 9, 10, 11

conventions now being concluded between the States of East and Central Europe, and was designated by the All-European Warsaw Health Conference to put in force in Eastern Europe the plans of the Conference for a campaign against epidemics.

It was decided to recommend sending a small commission of inquiry to the Far East, with a view to studying the prevalence of cholera and plague in ports, the measures taken to prevent the transmission of epidemic diseases, such as plague and cholera, by seaborne traffic. At the last sitting it was also decided to conduct an expert inquiry into sleeping sickness and tuberculosis in equatorial Africa, and to co-operate with the Mandates Commission on these subjects. The Commission decided to co-opt a German member.

### ***Near Eastern Conference for Peace.***

August 15 the Allied High Commissioners at Constantinople, Sir Horace Rumbold, Gen. Pelle and Marquis Garroni, acting under instructions from their respective Governments, decided that in the near future a preliminary peace conference of Greeks and Turks and the other Powers that had been signatories of the Treaty of Sevres, should be held at Venice. It was proposed that the basis of settlement should be the terms proposed in March, 1922, by the Allied Ministers of Foreign Affairs meeting in Paris.

### ***Reparations.***

The failure of the Supreme Council at London (August 7-14) to reach agreement concerning the requests of Germany and the demands of France sent the whole controversy back to the Reparations Commission, which met in Paris on August 17.

As before, England and Italy favored granting to Germany a moratorium until the end of 1924. France regarded this as impossible, unless new securities and guarantees were forthcoming, such as the taking over of the administration of German State mines and forests. Belgium, which was to have prior claim to German cash payments in 1922, was undecided between England and France.

August 18 the British and French members of the Commission (Sir John Bradbury and M. Mauclerc) went to Berlin to confer with Chancellor Wirth and others. At the same time M. Poincare in a speech at Bar-le-Duc (August 21) was charging that Germany had deliberately sent its funds and securities

abroad and issued a flood of paper marks in order to avoid taxation and to wreck its own credit. He said that the Reparations Commission ought to have declared Germany in default and invited the Allies to act. The instructions of "certain Governments" had prevented such action.

Upon the return of the two Commissioners from Berlin the Reparations Commission reassembled on August 27 (Sunday) and invited the German Government to send representatives to meet with the Commission on the following Wednesday. On Thursday, the 31st, the Commission voted to excuse Germany from cash payments during the remainder of 1922. In lieu of 270,000,000 gold marks due to Belgium between August 15 and December 15, Belgium will accept six month notes of the German Treasury, guaranteed in some way mutually satisfactory at Berlin and Brussels. If no such guarantee can be arranged, Germany will deposit cash as agreed by negotiation in a neutral bank approved by Belgium.

Underlying this was an agreement between the Premiers to meet again in November to consider this situation and possibly a reduction in the reparations total. Upon this compromise proposal, which emanated from the Belgians, the French delegate cast an affirmative vote, and the Commission was unanimous.

The next day the French Cabinet resolved neither to approve nor to disapprove of the Commission's decision, reserving "entire liberty of action until the terms of the decision should be put in operation." Premier Poincaré explained that Belgium, which had most at stake at the moment, had proposed this compromise.

On the same day he issued a formal reply to the Balfour note, saying that France will not consider the payment of its war debts until the cost of reconstructing its devastated regions has been repaid. The substantial part of the note, foreshadowing a November conference, to which the United States should be invited, is as follows:

"The French Government is \* \* \* convinced that the problem of reparations can have a real solution only if it is not connected in any manner with the problem of inter-Allied debts; it seems to it necessary that this question be examined before long in all its aspects in a conference to which should be invited without exception all the interested allied countries. That might have been done at the last London Conference if the British Government had not previously by its note of

August 1 taken the position of asking the French Government to prepare to pay in the measure that Great Britain was obliged to pay the United States.

"I believe I ought to observe that there cannot be established a close connection between the war debts the Allies contracted among themselves and the reparation debts. If the Allied Governments had not given each other reciprocal financial help from which the present war debts result either the war would have ended badly for them or it would have lasted much longer, and in either case it would have been the lending countries who by the work of their industries or by sending more troops would have had to make the effort which the borrowing countries did make in their stead.

"These debts were all contracted in the interest of a common cause. The purchases which they made were all contributed to the victory. During the preparation of the peace treaties the victorious countries decided for the first time in history not to claim from the conquered country the cost of the war. If the payment of war debts is demanded these costs will fall upon those allied countries which furnished the greatest military effort and which assumed the heaviest burden of the war.

"As Lord Balfour well says, the inter-Allied debts were contracted not for individual gain of particular countries, but for the great common purpose of all, and this purpose was entirely realized. From the moral point of view realization of this fact would justify the cancellation of these debts. In any case, it cannot be denied that it gives to these debts a character different from that of ordinary international debts.

"On the other hand, the reparation debt of Germany is the effect of destructions which were voluntary and, for the most part, useless, and of the payment of pensions which are owed by the Allied Governments for losses inflicted by Germany.

"This necessary reparation for damage done ought to be paid by Germany.

"This necessary reparation for damage done ought naturally to have priority over all other settlements. France, who, of all the belligerent countries, was most afflicted by territorial destructions, sees herself forced since the payments promised by Germany have not been made to proceed herself to the restoration of her devastated provinces. It is the advances which she has made from her resources which cause the present disequilibrium of her budget.

"She can in no case consider any settlement whatsoever of the debts she contracted during the war as long as the sums which she has advanced and which she will have to advance for reconstruction of her devastated regions have not been covered by Germany, directly or by means of a combination permitting her to mobilize in the near future a sufficient part of her debt.

"But once Germany shall have acquired this obligation which ought to come before all others the French Government would not be opposed to consideration of a general settlement of international debts.

"In addition, when it shall be a question of the French Government examining in particular a settlement of the British debt count should be taken of certain considerations.

"In the first place the French Government, which borrowed from the United States and Great Britain only to cover its own purchases and without there being any question of guarantee by a third party, must make a distinction between war debts it contracted toward these two countries. A part of the debt owed the United States was incurred after the armistice to cover the purchase of American stocks delivered to the French Government, and which it resold at a profit to the French Treasury: at least this part of the debt is a commercial debt. Without doubt for the rest of the American credit to France one can use the same reasoning as for the other inter-Allied debts. One cannot forget, nevertheless, that the United States entered the war without its existence being directly menaced and to defend with its honor the principles which form the basis of civilization. Whereas England, like France, had to safeguard not only her independence and her territory, but also lives and property and means of existence of her citizens

"In the second place the total of the debt to Great Britain, which in reality is not yet fixed at exact figures, should in justice be the object of revision. For example, in the deliveries of supplies and material between the Allies the English ordnance credited itself with all deliveries made at the top price and increased that to take count of 'departmental expenses,' which is to say overhead costs and export duties collected by the British Government, whereas, on the contrary, the French ordnance charged its deliveries to the British Army at the interior rate paid for French deliveries to the French service without taking count of overhead cost or taxes.

"Thus, when the status of payments made for the reparation of devastated regions in France shall permit of a settlement of debts among the Allies, this settlement should be preceded by a careful study, to reduce the total of the debts to fair figures established upon an identical basis. It should, besides, be as general as possible. The Government of the Republic asks in this respect to be treated as it treats our common Allies. However, it does not ask payment of sums which our Allies owe it; it takes account of the fact that, morally and materially, such a claim is indeed inadmissible, and it does not even think of making this.

"While rendering homage to the spirit in which the British Government desires to discuss the problem of international debts, the Government of the Republic believes it must draw its attention to the considerations mentioned above. With this reservation, it considers also that a general settlement of these, if it were acquired at the price of reciprocal sacrifices, would be to the profit of humanity

(Signed) "RAYMOND POINCARE.

"Paris, Sept. 1, 1922."

Coincident with this note came an official statement from the White House at Washington that the United States would "at the proper time" co-operate with European nations to bring about the economic and financial rehabilitation of Europe.

Belgian and German Commissioners were for a long time debating the conditions under which Belgium would accept German treasury notes and did not reach a conclusion satisfactory to Belgium until September. The Belgian Commissioners on September 12 formally demanded that under the terms of the Reparation Commission's decision of August 31 the German Government should deposit in the National Bank of Brussels, by September 15, 100,000,000 gold marks as a guarantee that 270,000,000 gold marks or their equivalent would be paid to Belgium before the end of the year.

The German Government wanted Belgium to accept treasury notes with a longer time for redemption, and declared on September 14 that it would not make the deposit asked for by Belgium, and that it could not pay on the 15th the £1,500,000 due as partial payment on private pre-war debts to Allied nationals. Concerning the Belgian payments, the Bank of England and the Bank of Holland saved the situation by enabling the Reichsbank to borrow the money needed to redeem the six-months Treasury notes payable to Belgium and

due in February and June, 1923. This was satisfactory to Belgium, and staved off any need for French interference. This solution was announced on the 18th and 19th, and on the 25th the German Government delivered to the Reparations Commission two notes for the instalments due on August 15 and September 15. They were payable in London at the Bank of England to the order of the Belgian Finance Minister.

### ***United States Influence in Central America.***

Revolutionary activities by members of the Liberal party in Nicaragua led the President of that country, who is under direction from Washington, to propose a conference between the Governments of Nicaragua, Honduras and Salvador. This Conference took place on Sunday, August 20, on board the United States cruiser Tacoma in the Gulf of Fonseca.

The Presidents of the three republics with their Cabinets and the American Ministers to those republics were present. The Conference renewed some portions of the treaty made by the five Central American States at Washington in 1907 under the guidance of Secretary Root. That agreement, which established a Central American Union, a Central American Court and other agencies for international co-operation, had been wrecked by the attitude which Nicaragua, under the influence of President Wilson's Administration, had assumed toward the Central American Court. Each of the three Governments now agreed to suppress revolutionary movements directed against either of the other States, to keep alien revolutionary leaders under surveillance and to repel them if the threatened State requests it, to call in December a conference to discuss the unification of money, customs, tariffs and ways of communication. Guatemala and Costa Rica were invited to adhere to this agreement, but each of them declined the invitation.

### ***Greco-Turkish War.***

On August 20 and 30 came the news that the Greek lines in Asia Minor had given way before a sudden Turkish assault, that the morale of the Greek Army had been destroyed by Royalist-Venizelist enmities and the resultant lack of confidence in the Greek commanders, that the army had now become only a mass of broken fragments, and that the Turkish capture of Smyrna was now inevitable. This disposed of the proposed Near Eastern Conference at Venice. It was regarded in Paris

as a triumph for France over England, since for two years the French had favored the Angora Government, and had made it possible for Mustapha Kemal to secure artillery and other munitions of war. The Greeks began to evacuate Smyrna on September 8. The consequent occupation of the city by Turkish troops was attended by murders of Greeks and Armenians, by the burning of their quarter of the city, by deportations of able-bodied Christian men into the interior, and by the flight of thousands of refugees to the islands and to Greece to escape outrageous cruelties and death.

### ***British Mandates in Palestine and Syria.***

The Government of Palestine issued on August 27 a statement that Great Britain is authorized to extend its mandatory powers over Trans-Jordania, a name given to territory in Eastern Syria and Northern Arabia, where Abdullah, a brother of Faisal, King of Irak, is claiming to be chief of an Arab State.

### ***Council of Ambassadors and the German Trials of War-Criminals.***

On August 29 the German Government received from the Council of Ambassadors a note stating that the High Court at Leipsic had not rightly and justly conducted the trials of war criminals. It had been too lenient and careless of the facts. Therefore, under the treaties the Allies reserved the right to deal with the defendants themselves.

### ***Reciprocal Emigration Between Greece and Bulgaria.***

The Mixed Commission on Greco-Bulgarian Repatriation, which began work in December, 1920, addressed a report to the Secretary-General under date of August 30, 1922.

The Commission consists of one Greek, one Bulgarian and two appointees of the League Council. The duty of the Commission was to determine the interpretations and application of the Convention of November 27, 1919, and to urge the two Governments concerned to enact necessary legislation and to abrogate laws against property rights of emigrants and refugees.

The report points out that the different negotiations are now so well advanced that only a few differences on matters of detail remain, which will be settled immediately by friendly



agreement or by a decision of the Commission. The report states that there is every reason to hope that the Emigration Convention of Neuilly will at last be carried into practical effect.

The application of the Convention will benefit three classes of persons: It will allow of the emigration of such racial minorities as still remain; the Greeks state that about 30,000 of their compatriots will leave Bulgaria. At the same time the Convention will enable a certain number of Bulgarians settled in Greece to rejoin the heads of their families, who had fled to Bulgaria; up to now this was impossible.

It will allow refugees who wish to settle definitely in the country with which they are connected by race and who have at different dates between 1900 and 1920 lost the right of disposal over property left by them in their country of origin to recover such property or its equivalent value.

Finally the application of the Convention will benefit those Bulgarian refugees who do not desire to avail themselves of its provisions and who hope to return one day to their homes, in accordance with the treaty regarding minorities in Greece: the Mixed Commission has been able to persuade the Greek Government to return their property to these refugees, as in the case of refugees stating that they have definitely emigrated. According to Government statistics, the number of persons included in these two categories is some 30,000 Greeks and 150,000 or 200,000 Bulgarians.

### ***Interparliamentary Union.***

The twentieth Conference of this Union at Vienna, August 28 to 30, sent to the League of Nations resolutions calling for "a complete scheme of disarmament," "a prohibition of the private trade in arms," the abolition of conscription and the creation of an international organization to insure "the economic reconstruction of the world by an international canceling of debts and the issue of international loans, such an organization to take the place of the system of reparations as established by the peace treaties, which is founded on direct relations between nations and admits of the possibility of a group of nations or a single nation resorting to compulsion by force."

### ***United States and Russia.***

On August 30 the State Department at Washington admitted that through Ambassador Houghton at Berlin the United

States Government had informally inquired of Leonid Krassin, Russian Minister of Foreign Trade and Commerce, and Foreign Minister Chicherin whether the Soviet Government would permit an expert technical commission from the United States to visit Russia to study and report on the economic situation there.

Krassin's equally informal reply was that such a commission would be received in Russia only on condition that a similar group from Russia might come to the United States to conduct a similar investigation. A formal note embodying the same idea, was given by Chicherin to Ambassador Houghton on September 16. The negotiations ended right there.

### ***United States and the Arms Traffic.***

September 1, four days before the Third Assembly convened, the Secretariat announced that a letter from the State Department of the United States, dated July 28, had just been received, carrying the news that the United States Government, although "in cordial sympathy with efforts to restrict traffic in arms and munitions of war \* \* \* finds itself unable to approve the provisions of the Convention (sc. of St. Germain), and to give any assurance of its ratification." Secretary Hughes further illustrated the desire of his Government to help in controlling the arms traffic by referring to the fact that Congress had empowered the President to restrict or prohibit the export of arms and munitions of war to any American country or country where the United States has extraterritorial jurisdiction wherein "conditions of domestic violence exist"\*

In view of the extensive production of arms in the United States, it seemed that this declaration from Washington would render the Convention futile. It had been ratified by ten nations, none of which manufacture arms. Seven others, including all of the great Allied Powers, had merely signified their readiness to ratify the Convention when all the "Allied and Associated Powers" were of the same mind. That statement meant, of course, the United States.

### ***Commission on Opium Traffic.***

This Commission met at Geneva on September 1 and accepted the action of the Council in excising from the Commission's report a statement that the situation of affairs in

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\*The text of this note is given in the Official Journal for November, 1922, Part I, p. 1124.

China did not accord with the agreements in the Opium Convention.

The Commission agreed to the recommendation that the Chinese Government should make further investigations into the revival of the cultivation of the poppy in China; that the Commissions of Inquiry should include members of the Chamber of Commerce and educational associations, and that members of the Anti-Opium Association in Peking should accompany the Commissions on their journeys of investigation and make a separate report to the League.

The Indian delegate called attention to the fact that three countries have large exports of opium, India, Persia and Turkey. India alone exercises a strict control. The illicit trade of the other two countries has greatly increased. The only result of Indian control has been the reduction of Indian revenue by £4,000,000 and greater difficulty in controlling the traffic.

The Commission discussed the traffic in cocaine, which is not manufactured in India, but chiefly in France, Germany, the Netherlands, Switzerland and probably Japan. It considered also the advisability of preparing a "black list" of illicit traders. The French delegate thought that such a list should not be made public, but should be confidentially communicated between police authorities. The subject was referred to further report and discussion.

## CHAPTER VIII.

### TWENTIETH, TWENTY-FIRST AND TWENTY-SECOND SESSIONS OF THE COUNCIL OF THE LEAGUE OF NATIONS.

#### *Twentieth Session of the Council—Palestinian Mandate.*

The Council met in extraordinary session at Geneva on Thursday, August 31, to consider the question of the Commission on Holy Places in Palestine provided for in Article 14 of the Palestinian mandate. Lord Balfour at the first meeting submitted a plan for such a commission, which divided the Holy Places Commission into three Sub-Commissions. One should be Christian, under a French President, three Catholics (Italian, Spanish and Belgian), three Orthodox (among them one Greek and one Russian), one Armenian and one representative of Abyssinians and Copts if they follow the same confession; otherwise, one representative of each. The second sub-commission should be Moslem, under an Italian president, with Palestinian, French and Indian representatives of Islam.

The third should be Jewish, under an American president, with a Palestinian Jew, a British Jew and a Sephardic representative from either Portugal or Spain. Unanimous reports from any sub-commission should be decisive, but the Council may refer back any particular point for further consideration.

Where unanimous agreement is not obtained the question should be referred to the chairman of the whole Commission, who is to be an American Protestant.

Questions affecting more than one religion may be considered by joint sessions of representatives of the sub-commissions concerned.

The Commission will have a Secretariat, supported by the Palestinian Administration, and Great Britain will name the Secretary-General. The chairman and the presidents of the sub-commissions are to be appointed by Great Britain in consultation with Governments concerned.

The heads of religious denominations or the Governments concerned will be consulted about the selection of representatives of the various confessions. All these appointments are subject to approval of the League Council.

The expenses of chairman and presidents are borne by

the League; those of representatives of religions by the religious communities represented.

Each sub-committee may create small local committees for dealing on the spot with interpretations of committee recommendations or with new questions.

The Holy Places Commission has no administrative responsibilities, and may not interfere with the duty of the mandatory to maintain order and decorum.

Therefore, on October 4, Lord Balfour withdrew the proposed scheme and said that the Christian countries most concerned must first try to settle their own differences on the matter. M. Hanotaux agreed with Lord Balfour that the first step must be an agreement among Catholic Powers, and afterward between the Catholic and Orthodox. There the discussion ended.

#### ***Twenty-first Session of the Council.***

The Council of the League of Nations held its twenty-first regular session at Geneva from August 31 to October 4.

1. **AUGUST 31. INDIA'S CLAIM TO MEMBERSHIP IN THE GOVERNING BODY OF THE LABOR OFFICE**—The First International Conference of the Labor Organization of the League, held at Washington in November and December, 1919, created for a three years' term a governing body in which the eight chief industrial States were to be represented by right and four others by election. The eight were then determined to be Germany, Belgium, France, Great Britain, Italy, Japan, Switzerland and the United States. As the latter country did not adhere the vacancy was filled by Denmark. The elected four were Argentine, Canada, Poland and Spain.

From that time on the Indian Government has asserted its claim to be ranked as one of the eight most important industrial States. Under Article 393 of the Treaty of Versailles such a question must be settled by the League Council. Poland had made a similar claim, and the Council voted that it would hear a representative of India on the subject, but would prefer a written statement, such as had already been submitted by Poland.

Lord Chelmsford addressed the Council on September 13. On the 16th a Polish representative discussed the question before the Council, and on the 19th a Swiss representative. At the same time the report of a committee appointed in 1921

to study this matter\* was placed before the Council. It comprised elaborate estimates of the industrial importance of eighteen countries, judged by population and workers, area and railway mileage, horsepower used in industry as related to total population and size of mercantile marine.

Statistical experts of the Labor Office prepared alternative lists based on these reports. In one list India was reckoned as the eighth State in importance; in the other Sweden. The Council voted, September 22, that the eight most important industrial States in the League are Germany, Belgium, Canada, France, Great Britain, India, Italy and Japan.

On the 30th the Council embodied this decision in a resolution, intended to guide the action of the Fourth International Labor Conference at Geneva in October, when a new governing body is to be chosen.

2. *MISSION TO NEUTRAL ZONE IN LITHUANIA*—The Council voted to allow 15,000 Swiss francs for the expenses of M. Saura, Spanish Consul-General at Brussels, appointed League Commissioner in the Lithuanian neutral zone, and his secretary, a member of the Secretariat. M. Saura was requested to study the possibility of substituting a provisional frontier for the neutral zone between Vilna and Kovno.

3. *SAAR VALLEY PLEBISCITE*—In order to prepare for the plebiscite in 1935 the Council voted that a Provisional Records Commissioner should be appointed for one year, whose expenses should be paid out of the Saar Valley treasury. He is to submit to the Council at its next session an inventory of the records which would enable the Council to determine who would have the right to vote in the plebiscite.

On the 26th, having been informed that the Saar Valley Commission would find the money, the Council voted that M. Alfred Bonson (Swiss) should be the Commissioner, with a yearly salary and allowance of 30,000 gold francs, besides necessary traveling and office expenses.

4. *REGISTRAR OF PERMANENT COURT*—The Council in deference to the wish of the President of the Permanent Court voted that the salary of the Registrar, 22,000 florins a year, should be increased each year by 1.250 florins until it reaches a maximum of 27,000 florins.

5. *DANUBIAN HYDRAULIC SYSTEM COMMISSION*—The Council authorized this Commission to determine the

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\*Cf. First Year Book, pp. 20, 44, 45.

normal term of office for its chairman, and voted to extend the term of the present chairman, pending the decision of the Commission, reserving the right to reconsider the appointment of the chairman when such decision is reached.

6. *SEPTEMBER 1. AN INTERNATIONAL RELIEF ORGANIZATION*—Senator Ciralo, President of the Italian Red Cross, laid before the Council a plan originally submitted to the Genoa Conference and there referred to the League of Nations.

He proposed a single, neutral, universal relief association, supervised by the League, directed by the International Red Cross Committee, and supported by annual contributions from the States. Under it the technical organizations of all Red Cross societies in the world would serve as an international relief army, ready for service anywhere at any time.

He also proposed a new convention providing for wider international recognition of the Red Cross in time of peace.

Inasmuch as the I. R. C. Committee has already moved to ask the Swiss Government to call a conference of States that signed the Geneva Red Cross Convention of 1906 in order to revise that convention, the Council voted to await results of that conference.

Concerning a new I. R. C. organization, Lord Balfour observed that the Council would not collect funds the administration of which it did not control. He also pointed out the great difficulty experienced in raising money for the struggle against epidemics in Eastern Europe.

The Council voted that the Secretary-General should prepare a report on this proposal and submit it to the Council before the meeting of the Fourth Assembly.

7. *DANZIG VS. POLAND*—High Commissioner Haking on September 1, 1921, had decided that the control and administration of the river Vistula within Danzig territory is vested in the Harbor Board.

But the representatives of the two Governments could not agree upon the meaning and authority of this decision, and it had been impossible to harmonize the administration of the Vistula in Danzig with the administration of the river in Poland.

General Haking told the Council that, since the last meeting of the Council, the Poles and Danzigers had appealed twenty-two questions to him, only three of which had been as yet settled by agreement.

The Council voted to confirm his decision of September 1, 1921, which settled the legal question that had been raised and established the competence of the Harbor Board.

Both Governments also appealed against General Haking's decision of April 7, 1922, giving to Poland a location for a depot of war material in Danzig and providing for the construction of a Polish mooring place near the mouth of the Vistula.

The Free City declared the depot a menace to the city on account of the danger of explosions and Poland wanted more room.

The Council confirmed the decision of General Haking.

8. *REPATRIATION OF WAR PRISONERS, RUSSIAN REFUGEES*—Dr. Nansen reported the conclusion of this work.

During two years 427,886 prisoners of war, representing twenty-six nationalities, had been brought home at a cost of about £400,000. About 250,000 of these were Russians, who went home. The rest were brought out of Russia. In the total movement of prisoners, 406,091 passed over the Baltic Sea route; 12,191 used the Black Sea route, and 9,604 passed through Vladivostok.

Dr. Nansen said that this could not have been done without the help of the Red Cross, and in thanking him the Council voted also to transmit the thanks of Dr. Nansen and the Council to the Red Cross. Dr. Nansen's report on his work among Russian refugees was also submitted, showing that out of 30,000 refugees in Constantinople one-third had been taken to homes elsewhere, and that 10,000 of the remainder were being fed by the A. R. A.

9. *EXPENSE OF NORWEGIAN FORCE FOR VILNA*—The Council referred to the Assembly the claim of Norway for repayment of expenses incurred in raising a special force for us in Vilna. A similar claim on the part of Sweden and Denmark had been favorably received on May 12, 1922, but with an opinion that Poland and Lithuania should eventually share these expenses.

10. *MINORITIES*—The Albanian Government submitted a report of progress concerning the collection of information about minorities in Albania and legislation respecting them.

A legal question concerning minorities in Estonia was presented and the consideration of it postponed. It was discussed in a session on September 20. Estonia claimed that minorities



In that country were sufficiently protected by the Constitution, and the Government would not submit its Constitution to a League guarantee, and did not see that any additional pledge or treaty guarantee could be necessary.

Some of the Council thought a declaration for the protection of Estonian minorities should be insisted on. The Council voted to give the question further consideration.

The question of minorities in Latvia was postponed (September 26) until the next session. The Latvian Government offered objections to the declaration it was asked to sign and these objections were virtually identical with those of Estonia. Article 1 of the declaration stipulated that it is recognized as a fundamental law of Latvia. Article 9 of the declaration says that the declaration may not be modified without the consent of the League Council. The Latvian Government held that these articles would constitute a serious infringement upon the Constitution and independent sovereignty of Latvia.

11 *INTERNATIONAL INSTITUTE OF COMMERCE (BRUSSELS)*--A letter from this organization, conveying a recommendation adopted at its conference and expressing the hope that the Council will recognize the Institute as its organ for commercial documentation, was ordered sent to the Economic Commission for consideration.

12. *SEPTEMBER 3 SAAR VALLEY COMMISSION*--The Council reappointed Dr. Hector of Saarlouis to be the local member of this Commission. Petitions both for and against such action were received from groups and individuals among the inhabitants of the Valley. Twenty-six members of the Saar Valley Advisory Committee united in requesting that either the people or the Committee be permitted to suggest candidates.

Protests were received from the German Government, dated August 18th, 23d and 28th, against the employment of French troops in the Valley and against the jurisdiction of French courts-martial over the inhabitants of the Valley.

While this matter was referred to the next session of the Council, it may be noted here that M. Rault, chairman of the Commission, again explained why a local gendarmerie could

not be used by the Commission.\* Subsequently, in a letter dated December 9, M. Rault argued against the German contention that the exercise of military jurisdiction in the Valley was a violation of the Treaty of Versailles. (Cf. *Official Journal*, November, 1922, pp. 1126-1132; December, 1922, pp. 1487-1489, and January, 1923, pp. 86-89.)

13. *DANZIG FINANCES*—Before the adoption of the pay for German State property in Danzig (35,700,000 of marks) Treaty of Versailles Danzig had no debts. When it was created a Free City it was saddled with a heavy debt, being asked to which the Free City had little use for; it was obliged to assume a share of the German State debt; to pay the expenses of an Allied occupation, and of the delimitation of its new boundaries. It was not easy to tell what to do with the State and railway workshops, the administration of railways being intrusted to Poland.

The Free City had no currency of its own. Marks were useless. The Reichsbank in Berlin would not help.

The Council asked the Economic and Financial Commission for an opinion.

The Commission on the 9th advised that Danzig should be helped to substitute a sound currency for the German mark, that the Reparations Commission should relieve the Free City from the immediate pressure of the debt, and that the Allocation Commission should decide what to do with the workshops.

The Council approved the recommendations of the Commission and voted to ask the Reparations Commission, the Council of Ambassadors and the Danzig Government what action they could take. Professor Askenazy suggested that the Polish Government might take over part of the German State property.

14. *NATIONAL STATUS OF PEOPLE UNDER B AND C MANDATES*—The Mandates Commission adopted in August

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- \*1. The 4,500 French troops cost the Saar Valley nothing.
  - 2 Such a local gendarmerie would be very expensive. The Commission now has 155 local police, who cost 1,189,150 francs a year.
  - 3 Saar Valley mines and factories pay wages higher than the Commission could afford to pay for police service.
  - 5 The mines are now the property of France and only the presence of organized troops can make that property secure, or ensure peace and order to the inhabitants of the valley.
  - 6 The removal of the troops would open the doors for disorders fomented by professional agitators.

certain proposals on this subject, which were now placed before the Council as follows:

III. It is important, in order that the principles laid down in Article XXII of the Covenant may be respected, and subject to the provision in paragraph III below, that the native inhabitants of B and C mandated territories should be granted a national status wholly distinct from that of the nationals of the mandatory Power.

II. A special law of the mandatory Power should determine the status of these native inhabitants, who might be given a designation such as "administered persons under mandate" or "protected persons under mandate" of the mandatory Power.

III. It is open to mandatory Powers to which B and C mandated territories have been intrusted to make arrangements in conformity with their own laws for the individual and purely voluntary acquisition of their nationality by inhabitants of these territories.

The Council ordered these resolutions sent to member States, with especial notice to mandataries that these resolutions would be discussed at the next session of the Council.

A memorandum from Great Britain on the procedure respecting petitions from mandated areas was referred to the Mandates Commission with a request for comments before the end of 1922.

15. *HEALTH COMMISSION AND OPIUM TRAFFIC COMMISSION*—The Council received and approved reports from these Commissions, in the former case embodying the details of the agreement with the Rockefeller Foundation for giving \$32,840 a year for five years for a special International Service of Epidemiological Intelligence and Public Health Statistics and \$60,080 a year for three years for an interchange of public health personnel. The Council allocated 125,000 francs of League funds in the budget to the Epidemic Commission of the Health Organization. On the 13th the Council assented to a stipulation by the Rockefeller Foundation that unexpended balances at the end of each year should revert to the International Health Board of the Foundation.

16. *SEPTEMBER 4. REPORT OF THE MANDATES COMMISSION*—The Council approved the recommendations of the Commission and ordered them sent to the mandatory Powers, viz.:

(a) That annual reports should reach the members of the Commission at least a month before the meeting;

(b) That the reports should include all legislative or administrative decrees;

(c) That all mandataries should send representatives to the meetings of the Commission;

(d) That supplementary information should be supplied concerning the Island of Nauru, the health conditions of native populations (a Health Committee questionnaire is to be used), the customs taxes in British Cameroons and French and British Togoland, with reference to preservation of principle of economic equality, the fiscal autonomy of British Togoland, and traffic in alcoholic liquors in mandated territories.

(e) That the comment of the Commission on the Ruanda-Tanganyika frontier be sent to the British and Belgian Governments. Ruanda-Urundi is a Belgian B mandate, comprising two native kingdoms, formerly part of German East Africa and adjacent to the Belgian Congo. The Commission commented as follows:

“Under an arrangement to which the Belgian Government assented, one of the richest and most civilized tracts of the kingdom was separated from the territory under the Belgian mandate. The agreement between the Belgian and British Governments as to the frontier had been due to the anxiety of both parties to secure to the British Government uninterrupted railway communication from the north to the south of Africa. It would seem now, however, that such communication could be secured without a partition of the kingdom. The population of the kingdom had strongly protested against an arrangement which deprived them of essential pasturage and other resources, and the present frontier undoubtedly appears to be hardly justifiable, either from the point of view of the wellbeing, good order and political stability of an African community already in a good state of organization, or from the point of view of its economic development. The Mandates Commission had no right to deal with the frontier question, but it might justifiably inquire whether the delimitation of the frontier in this way was not gravely prejudicial to the welfare of the natives and likely to impede the progress of native civilization.”

***Kemal Pasha on Protection of Minorities.***

It was reported by the Associated Press that through the Italian representative of the Red Cross at Angora, Mustapha Kemal Pasha sent to the Secretary-General of the League a note, received September 10, calling attention to atrocities committed by Greek troops and refusing to accept responsibility for retaliatory outrages by Turkish soldiers. The same report alleges that an answer went back by the same channel to the effect that atrocities committed by one belligerent do not relieve the adversary from the obligation to respect the laws of war as recognized by the civilized world. It should be noted that this correspondence does not appear in the Official Journals of the League.

17. *SEPTEMBER 9. REDUCTION OF ARMAMENTS AND COMMUNICATIONS AND TRANSIT*—The Council voted to send the proposals of the Temporary Mixed Commission on Reduction of Armaments forthwith to the Assembly, reserving its right to discuss them at a future time.

The report of the Commission on Communications and Transit was similarly disposed of.

18. *GERMAN MINORITIES IN POLAND*—The Council asked the Secretary-General to refer to a Committee of Jurists the legal questions raised by the Germanic League of Bromberg in Posen in defense of German settlers established there before the war by the former German Colonization Commission. The jurists chosen were the legal advisers of the representatives of Spain, France and Great Britain and the Director of the Legal Section of the Secretariat.

The questions submitted and the decisions rendered on the 30th were as follows:

Qu. 1. Whether the colonists, who, before the date of the armistice had received official contracts with the German Colonization Commission, but who before that date had not been registered (had not obtained "Auflassung") were liable to expulsion from their properties by the Polish Government.

Qu. 2. Whether the colonists who had received contracts from the German Colonization Commission after the date of the armistice should be treated in a special manner and for what reasons.

Qu. 3. The question of the right of re-purchase laid down in the contracts with the German Colonization Commission.

The Jurists replied to the first question that it would scarcely seem fair to invoke the lack of legal title against these colonists—a fact which was no fault of theirs—if they had fulfilled all the stipulations entailed by their contracts.

On the second question, the Jurists replied that these contracts granted after the armistice should not be put forward as against the interests of the Polish Government, as every one knew that the territories, in respect of which the Prussian Government granted the contracts to Germans, would cease to belong to Germany.

Regarding the right of re-purchase, the Committee of Jurists declared that the Polish Government was entitled to exercise in respect of these contracts in the first category the right of re-purchase, which is one of the conditions of the contracts which remain in force.

With regard to the interpretation of Article 4 (recognition of Polish nationality) of the Minorities Treaty, the question is whether this Article refers to the domicile of the parents at the time of the birth of an individual for whom Polish nationality is desired, or at the moment of the coming into force of the Treaty. The Jurists Committee, to which this point had also been submitted, declared itself in favor of the former interpretation.

The Council requested the representative of the Polish Government to bring the Jurists' report to the notice of his Government at the earliest possible moment.

**19 SEPTEMBER 13 COMMISSION ON INTELLECTUAL CO-OPERATION**—The Council approved the report of this Commission and its plans for work. Dr. George E. Hale of California, having resigned from the Commission on account of ill health, at his request the Council named in his stead Dr. Robert A. Millikan of California Institute of Technology, who had attended the first meeting of the Commission as Dr. Hale's substitute.

**20. INTERNATIONAL ASSOCIATION FOR THE PROMOTION OF CHILD WELFARE**—This association, located at Brussels and founded in 1913, asked to be placed under the direction of the League. Great Britain objected because the governing body of the association included not only representatives of governments but also delegates of charitable institutions and private citizens.

The Council voted to ask whether the governing body

could be so composed that the majority would be representatives of governments.

21. *EASTERN GALICIA*—A petition concerning grievances against Poland was forwarded to the Council of Ambassadors.

22. *SEPTEMBER 16. TRANS-JORDANIA*—The Council approved a memorandum submitted by Lord Balfour, declaring Great Britain mandatary for Trans-Jordania and, in accordance with Article 25 of the Palestinian mandate, withholding from Trans-Jordania the provisions of the mandate regarding the constitution of a Jewish National Home. Trans-Jordania includes the territory east of the Jordan river and south of the Syrian boundary.

23. *ECONOMIC AND FINANCIAL COMMISSION*—In approval of the report of this Commission, and in order to promote the equitable treatment of commerce (Article XXIII, e. of the Covenant) the Council resolved to convene in May, 1923, at Geneva an International Conference on Customs, to consider how to eliminate unfair or arbitrary customs formalities, and how to render customs formalities more uniform, especially as regards the payment of dues, warehousing and so forth, and without prejudice to the tariff policy or the existing commercial treaties of the nations.

In order to facilitate the Conference the Economic Committee has already elaborated certain proposals which the Council has decided will be sent out at the same time as the invitations. These proposals suggest that the nations give the fullest publicity not only in their own territories but throughout the world through the League of Nations to their customs legislation and regulations; that they agree to abstain from any discrimination against the commerce of a participating State in all the various matters of customs and other similar regulations dealt with in these proposals; that they agree to reduce import or export prohibitions or restrictions as much as possible; that they place certificates required for the constitution, purity and quality of imported goods on a uniform, international basis, and that they simplify or standardize the passage of goods through the customs, the examination of travelers' luggage, the system of temporary admission, the conditional payment or deposit of duties, the system of goods in bond.

The Council adopted resolutions against frequent changes in tariff rates and in favor of arbitration clauses in commercial contracts.

The Council approved the appointment of a committee of experts to study the legal aspects of the question of uniform national legislation on bills of exchange. With regard to the question of double taxation and fiscal evasion referred to the League by the Genoa Conference, the Council approved the initiative taken by the Financial Committee in requesting France, Belgium, Great Britain, Switzerland, Holland and Italy to appoint representatives of their financial administrations to meet and consider these two questions from the administrative and practical points of view.

The Council voted that if the Chairman of the Financial Committee found a suitable financial adviser for the Albanian Government the members of the Council should be immediately consulted by letter.

**24. SEPTEMBER 19. GREEK AND ARMENIAN REFUGEES**—The Council voted to give to Dr. Nansen 100,000 Swiss francs for the relief of the refugees from Asia Minor.

**25. AUSTRIAN-HUNGARIAN FRONTIERS (OEDENBURG TERRITORY)**—This dispute, affecting a population of about 12,000, was first brought before the Council on September 13. On the 19th the Council rendered decision, drawing a new boundary line, and asking the Council of Ambassadors to instruct the Delimitation Commission to take notice of this decision.

**26. NON-PERMANENT MEMBERS OF THE COUNCIL**—France and Great Britain united in recommending the increase of non-permanent members of the Council from four to six. The reason alleged was the large number of States in the League. It is said that a reason not publicly adduced was the unwillingness of any of the elected States in the Council to retire and permit others to take their places.

On the 21st the Council voted in favor of the motion.

**27. SEPTEMBER 23. HUNGARIAN-YUGO-SLAVIAN FRONTIER**—This is a case wherein the Council was trying to use its good offices.

The Serb-Croat-Slovene State refused to cede to Hungary the strip of territory known as Prekomourie, on the grounds that this frontier has been fixed by a treaty which has been



ratified by the Serb-Croat-Slovene Parliament and that the consent of the latter would be indispensable for such a considerable alteration. The Serb-Croat-Slovene State, however, declared its readiness to cede to Hungary a road crossing the northwestern extremity of Prekomourie together with a village on that road, provided that Hungary would consent to an exchange of territory in the eastern section of the frontier.

The representative of the Hungarian Government stated that an exchange in the eastern section of this frontier could only be contemplated on condition that the Serb-Croat-Slovene State would accept arbitration by the Council of the League regarding the district of Prekomourie which the Boundary Commission proposed to allocate in its entirety to Hungary. The Hungarian Government considered that the proposed transfer of road in the northwestern angle of Prekomourie would be too small a concession.

On September 30 the Council considered the replies of the interested parties on the possibilities of a compromise. These replies showed that each of the parties maintained the position already taken up.

Under these circumstances the Council decided to inform the Ambassadors' Conference that, in spite of its efforts, it had been unable to persuade the interested parties to contemplate a friendly settlement of the question.

28. *SEPTEMBER 26—UNIFICATION OF CURRENCIES*—The Council referred to the Financial and Economic Commission a Rumanian proposal for unifying the currencies of member States.

29. *SLAVERY*—The Council instructed the Secretary-General to ask the governments for information on slavery (Africa), and to prepare a report for the Fourth Assembly.

30. *OPIUM TRAFFIC*—After the action of the Third Assembly, September 19, on this subject the Council voted:

1. To instruct the Secretary-General to communicate at once with the president of the Commission on Traffic in Opium and Other Dangerous Drugs with a view to the earliest possible convocation of the committee in order to study the question whether:

“The governments which are parties to the International Opium Convention should be asked to agree not to issue licenses for the import of opium or the other drugs to which the Convention applies, from any country which has not yet ratified

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and put into force the Convention and adopted the system for the control of exports and imports approved by the Second Assembly in Paragraph 1 (3) of the resolution adopted on September 30, 1921, and previously approved by the Council on June 28, 1921.

"2. To instruct the Secretary-General to address, in its name, a pressing invitation to the Government of the United States of America to nominate a member to serve on the Advisory Committee."

31. *SEPTEMBER 30. JEWISH MINORITIES IN HUNGARY*—Certain Jewish organizations petitioned the League for redress against a Hungarian law enacted in 1920 and alleged to be framed so as to exclude Jews from universities

The Council voted to ask the Hungarian Government for information, which Count Banffy promised to supply, remarking at the same time that the Jews in Hungary were only 6 percent of the total population, but at the University of Szeged 33.3 percent of the students were Jews, and at the Elizabeth University in Peco the percentage was 45.2

32. *OCTOBER 2 NATIONALITY IN TUNIS AND MOROCCO*—The French Government on November 8, 1921, issued decrees concerning nationality rights in Tunis and Morocco, which Great Britain objected to in so far as they affected British subjects resident there. The French Government having refused to submit the legal questions involved to arbitration, the British Government had the matter placed on the agenda of the Council.

The Council, with the assent of course of both Great Britain and France, voted to refer to the Permanent Court the question whether the determination of nationality under these decrees came within the domain of domestic law or international law. Furthermore, the two governments agreed that if the Court held it to be a question for international law the dispute should be referred to arbitration or to judicial settlement under conditions sanctioned by both governments. In November the President of the Permanent Court called an extraordinary session of the Court to meet January 8, 1923, to hear pleas in this case.

33. *ARMENIA*—The Council voted to send to the principal Allied Powers the resolution of the Third Assembly in favor of a national home for Armenians

34. *A. R. A. IN DANZIG*—The Council gave a vote of thanks to the American Relief Association for its work in Danzig, now closing.

35. *TRAFFIC IN WOMEN*—The Council, following the action of the Third Assembly, voted that the Commission on Traffic in Women and Children should consider whether, pending the abolition of the system of State licensed houses, the employment of foreign women as prostitutes in any licensed house could be forbidden. The Council asked the chairman of that Commission to call a meeting at an early date.

36. *DEPORTATION OF WOMEN*—The Council renewed its request that officials of mandatory Powers in contact with the work of the Commission on Deportation of Women and Children in Constantinople, Aleppo and other places should be instructed to aid said Commission.

37. *MISCELLANEOUS*—The Council approved the resolutions of the Third Assembly concerning trade in obscene publications and concerning plans for the help of Russian refugees

It also authorized the publication of a memorandum by the Secretary-General on Famine and Agricultural Conditions in Russia, without accepting responsibility for the contents thereof.

38. *OCTOBER 4. REDUCTION OF ARMAMENTS*—The Council, having before it the resolutions on this subject adopted in the Third Assembly, took the following action:

"The Council decides to request the Temporary Mixed Commission to continue its work for one year.

"It instructs the Secretary-General to collect any information which may be necessary to enable the Council to examine at its next session the steps to be taken to carry out Resolutions V and VI (a).

"It postpones to its next session the consideration of resolutions VII (b) and XII (a).

"It takes note of the recommendation of the Assembly contained in Resolution XVI.

"It forwards to the two competent Commissions, for their opinion, the other resolutions adopted by the Assembly and the report of the Third Committee of the Assembly.

"It asks the President of the Council to submit to the various governments for their observation the proposals contained in Resolution XIV.

"Reserving for its next session the issue to both commissions of any instructions required concerning the resolutions forwarded to them."

39. *OCTOBER 4. AMENDMENTS*—The Council instructed the Secretary-General to urge ratifications of amendments to Article IV and VI, in accordance with resolutions adopted by the Third Assembly.

40. *INTELLECTUAL CO-OPERATION*—The Council followed the Assembly recommendations, and invited the Commission to name an Austrian correspondent who would keep it informed, and also to appeal in behalf of Austria to learned societies of all countries and to draw up a more detailed plan for obtaining co-operation from selected local institutions in various countries.

41. *FRENCH COMPLAINT ABOUT ORDER IN DANZIG*—A telegram from M. Poincaré about rioting against French representatives in Danzig was received with accompanying statement that if facts were correctly reported the French Government would demand reorganization of local police in Danzig. The telegram was sent to General Haking, and the subject put on the agenda for the next session.

### ***Twenty-second Session of the Council. The Financial Rehabilitation of Austria.***

The Council of the League of Nations held its twenty-second session, devoted to the question of the restoration of Austria, at Geneva in meetings on August 31, September 6, September 30 and October 4. Five private meetings and three public ones were held.

The London Conference of Allied Prime Ministers (successor to the Supreme Council) on August 15 referred the Austrian problem to the League of Nations. On August 31 the Council asked its Financial Commission to report again to the Council on the financial aspects of the question, and set aside the next Wednesday, September 6, for a hearing of the Austrian representatives.

On September 6 M. Benesh, Czecho-Slovakian Prime Minister, sat with the Council by invitation because his country had during the year made large loans to Austria. At 4 P. M. Dr. Seipel, the clerical Chancellor of Austria, addressed the Council. He had recently discussed Austrian conditions with

the Governments at Prag and Berlin, and at Verona he had met representatives of the Italian Government. At the end of his speech he referred to these visits, saying that he did not wish to lay the matter before the League without having an understanding with his neighbors.

"These visits had, however, I frankly admit, another object. The Austrian people rather than perish in isolation will do everything in their power to make a last effort to break the chains which are oppressing and strangling them.

"It is for the League of Nations to see that this effort does not endanger the peace of the world or our relations with our neighbors"

This was interpreted as a threat that Austria would be forced to join either Germany or the Little Entente. The former move would bring on a conflict with France, the latter, with Italy.

The Council created a sub-committee, the Austrian Committee, to take charge of the whole matter. This Committee comprised Lord Balfour, Chairman; M. Hanotaux, Marquis Imperiali, Dr Benesh and Mgr. Seipel. This Sub-Committee, which worked uninterruptedly for more than three weeks, had at its disposal the whole technical organization of the League. After determining the general outline of the different questions requiring solution, it obtained expert advice, first from the Financial Committee, which includes some of the leading bankers and treasury officials of the world, then from the Economic Committee, similarly composed of seven leading economic experts, and finally from a legal committee, formed partly from the permanent officials of the League and partly from legal experts of the various delegations of the Assembly. With all this technical assistance regularly at its disposal the Austrian Committee also had the advantage of the concentration of political authority in the Council and of working in an atmosphere of general world opinion as represented in the Assembly of the League of Nations in session at the time.

Lord Balfour was able to communicate to the Assembly at its final meeting on September 30 the broad outlines of the plan adopted by the Committee, although at that time some details were yet unsettled.

With the assent of the Governments concerned, three protocols were signed on October 4, which with their annexes present the scheme finally approved by the Council. The guarantees included in the plan require ratification by the respective

Parliaments, and loans can be secured for Austria only after such ratifications.

The League of Nations published the text of the plan in October as a special supplement to its Monthly Bulletin. The text was preceded by a historical sketch written by Sir Arthur Salter, Director of the Economic and Financial Section of the Secretariat. From this sketch the following summary is taken:

#### ***Summary of the Scheme.***

The basis of the scheme is the political integrity and economic independence of Austria and the Declaration (Protocol I) designed to insure it. Aided by the confidence which it is hoped this Declaration will create, Austria is to commence a program of reform (including economy in expenditure and increased revenue from taxation) which will insure the balancing of her budget by the end of 1924. In the meantime, the excess of her expenditure over the revenue available from normal resources during these two years—estimated a maximum of 650,000,000 gold crowns—will be met by the proceeds of loans.

These loans will, for the reasons given above, be guaranteed by external Governments in addition to being secured on assets which (if the reforms are successful and order and stability maintained) will be sufficient without application to the guarantors. The guarantees will take the form of a definite guarantee of a stated proportion of the interest and amortization by each guaranteeing Power. The Governments of Great Britain, France, Italy and Czecho-Slovakia have each guaranteed 20 per cent or 80 percent in all (in addition to covering a certain portion of the risk of other guaranteeing Powers). Only 20 percent remains, therefore, to be covered by guarantees from all other countries. Assuming that this remaining percentage is secured, the future subscriber to the loan will not only have the security of the assigned assets, but if they fail will have every fraction of his interest and amortization further assured by the guarantee of a specified Government (80 percent of the total by the four Governments named above). The guaranteeing Governments themselves will be subject to no cash liability so long as the assigned assets prove sufficient for the service of the loan.

With the prospect of resources from these loans, Austria will be relieved from the necessity of financing herself by the issue of paper money and so causing the precipitous fall of the

crown, which renders all efforts at budget equilibrium futile and destroys any stable basis for the economic life of the country. The scheme, therefore, assumes and regards as essential the establishment of the proposed Bank of Issue under certain definite and specified conditions. The Austrian Government will surrender all right to issue paper money and will not, except with special authorization, negotiate or conclude loans.

Austria, therefore, in carrying through her reforms, is no longer building on the shifting basis of a continuously depreciating currency. Hitherto she has been in the unhappy position of knowing that she could not stop inflation until her budget balanced, and could not balance her budget while inflation continued. Now for the first time she has a prospect of the funds required to carry her over the necessary transition period.

But the successful accomplishment of the reform program, on which both Austria's prosperity and the value of her assets depend, will necessarily be a difficult and painful task. The scheme, therefore, includes the appointment of a Commissioner General, whose duty will be to insure in collaboration with the Austrian Government that the program of reforms is carried out and to supervise its execution. He will derive power from his control of the disposal of the loans.

"The Austrian Government agrees that it may not dispose of any funds derived from loans \* \* \* except by authorization of the Commissioner General;" but the conditions which he may attach to his authorization "shall have no other object than that of assuring the progressive realization of the program of reforms and of avoiding any deterioration on the assets assigned for the service of the loan."

The officer to be entrusted with this great responsibility is not the representative of the guaranteeing Powers. He is an officer of the League of Nations. He will be appointed by and responsible to the Council of the League, of which the Austrian representative is, when Austrian matters are discussed, a full and equal member. Indeed, the Council, in approving the scheme, added a resolution that the Commissioner General should not be drawn from any of the principal guaranteeing countries (nor from countries bordering upon Austria). His primary concern will be identical with that of the Austrian Government and the permanent interests of the Austrian people, namely, that the measures to enable Austria to achieve a position of self-supporting independence shall be successful; the due maintenance of the value of the securities of the loan

will, of course, be a part, but a part only, of the general program which it will be the duty of the Austrian Government to frame and execute, and his to supervise. The Commissioner General will live in Vienna. He will report monthly to the Council of the League. His functions will end as soon as the Council judge that the financial stability of Austria is assured.

In addition to the League's Commissioner General, there will be a "Committee of Control of the Guaranteeing Governments." This Committee, of which the Italian member will be President and the Czechoslovak member Vice-President, will be formed of the representatives of the guarantors with votes proportionate to the guarantees they have offered, and will watch their special interests. It will not be in permanent session, but will meet from time to time, not in Vienna but normally at the seat of the League. The approval of this Committee, by a two-thirds majority, is required to the main conditions under which the loan, whose interest and amortization are guaranteed, is to be subscribed; and it will, by the same majority, determine the conditions of the payments should the guarantees actually be called upon. For other purposes, the Committee works normally by a majority vote. It receives the monthly reports presented by the Commissioner General to the Council; it may ask him for information as to the progress of the reforms, and may make representations to him with regard to safeguarding the interests of the guarantors. If the assigned revenues are insufficient for the service of the loan, it may require the assignment of additional securities.

In exercising these rights, the Committee communicates, not with the Austrian Government, but with the Commissioner-General. The Committee and each guaranteeing State have a right of appeal to the Council "*en cas d'abus*."

The rights and powers of both the Commissioner-General and the Committee are carefully defined so as to restrict them to the precise objects in which they are concerned—the execution of the reform program and the maintenance of the value of the securities, and to avoid any infringement of the sovereignty of Austria and the full responsibility of her Government.

The essential features of the Agreement arrived at are thus a program of financial reform extending over two years; provision to meet the deficit during this period by guarantee loans; the arrest of the collapse of the crown; the supervision of the Austrian Government's execution of the scheme within carefully defined and restricted limits.



If the Governments ratify the agreement there are still difficulties to be met. A probable Austrian deficit of from 120 to 160 million gold crowns during the last three months of 1922 must be met, if possible, by Austrian Treasury notes secured by unspent portion of foreign credits given to Austria earlier in the year, and by a first lien on taxes.

The Commissioner-General and Committee of Control must be appointed.

Guarantees to complete the 100 per cent. must be obtained from Governments other than the Signatories.

The Bank of Issue must be opened and the Austrian Government must cease to issue notes.

The Austrian Government must, with the Commissioner, devise a plan to secure budget equilibrium by the end of 1924.

The Austrian Government must obtain from the Parliament a statute giving full power for two years to any existing Austrian Cabinet to insure the aforesaid budget equilibrium by the date named. This will mean a policy of drastic retrenchment. The office-holders in Austria are almost as numerous as they were formerly for the whole of the old Dual Monarchy. The railroads are overstaffed and freight transportation is proceeding under pre-war contracts, which ought now to be cancelled.

In the resolution of approval of this plan, adopted by the Council on October 4, the Council agreed to accept the duties and responsibilities involved in the scheme, invited the Austrian Sub-Committee to continue in being, and to nominate at once a Commissioner-General. The Council promised to ratify the nomination, stipulating only that he must not belong to one of the four Powers taking part in the loan or to one of the countries adjoining Austria. The presidency of the Committee of Control, while the second and third protocols remain in force, shall be filled by the Italian member and the Czechoslovak member shall be vice president.

When the protocols were signed on October 4, Mgr. Seitel, Austrian Chancellor, addressed the Council in terms of enthusiastic gratitude. In the course of this speech, he said:

"When, on this occasion, we appeared before the League of Nations, we were firmly resolved not to go away until the relief work for Austria was organized, either by the League, or, failing that, without its help. Thank God, we can say today the League of Nations has not failed us, the great idea lives—the idea that a Supreme Court exists, composed of

members of the nations themselves; a court which, when a people is in such dire need that it cannot help itself, will effectually call upon the others to help, and which will perhaps by so doing unostentatiously relieve the world of burdens laid upon it by the sins of the past years—this great idea lives.

\* \* \*

"It is mainly for us Austrians to make this work of the League live. We beg you to believe that we are prepared for action. In accordance with the institutions of a democratic State I shall on my return have to give an account of every word I have said, every promise I have made, every obligation I have undertaken. There will probably be a few weeks of sharp opposition. If you hear of anything of the kind, do not be surprised, do not draw wrong conclusions.

"How we shall rejoice, gentlemen, when in a few years' time, an Austrian Chancellor can again appear before the League of Nations or its Council and say: Austria is rehabilitated, her economic administration is sound, her people are living, if not in affluence, at least not in crushing poverty; Austria has proved that she can manage her own affairs; you may now set her free from financial control.

"That will be a glorious day for Austria, and not less glorious for the League of Nations."

The Council sent seven members of its Financial Commission to Vienna to aid the Austrian Government until a Commissioner-General could be found. That choice finally fell upon Dr. Alfred Zimmermann, a Dutch banker, formerly Burgomaster of Rotterdam. The Commission of Control was headed by Deputy Alberto Beneduce, former Italian Minister of Labor. When Chancellor Seipel first presented to the Austrian Parliament measures embodying the proposed reforms, he met with strong opposition from the Social Democrats, led by former Chancellor Renner, who declared that Austrian independence had been too much compromised.

During November, however, the Austrian Parliament passed the necessary legislation and ratified the three Geneva protocols (November 26th). The issue of paper money was stopped, the exchange value of the krone became fixed, the cost of living began to fall. The new bank of issue was gotten ready to open its doors with the new year. Its capital of 30,000,000 gold crowns was all subscribed in Austria, 22,000,000 crowns by the people, 8,000,000 by the Government.

## CHAPTER IX.

### THE THIRD ASSEMBLY, DAY BY DAY.

**ORGANIZATION**—The Third Assembly of the League of Nations was convened in the Salle de Reformation at Geneva on Monday morning, September 4, by M. Domicio da Gama of Brazil, Acting President of the Council. The United States was more numerously represented in the galleries than any other foreign nation. Of 138 places reserved for distinguished visitors, 62 were assigned to American applicants, and 16 American newspaper correspondents were present.

A committee on credentials was elected, which reported at the afternoon session that forty-four States had sent accredited delegates. No communications had been received from Argentina, Bolivia, Honduras, Luxemburg, Nicaragua and Salvador. Peru sent word that it would not be represented, a decision that was possibly connected with the known purpose to elect a Chilean to be President of the Assembly.

This purpose was accomplished by the election of Sr. Agustin Edwards, who made his inaugural speech in French and repeated it in equally good English.

The Assembly then voted to divide itself, as in previous years, into six great committees, on each of which all the States are represented. It also chose a small committee of five to examine questions proposed for addition to the agenda. The Assembly approved the agenda with 27 items, excepting only item 26, a Lithuanian protest against acts of the Polish Government concerning the Vilna territory since January 13, 1922. This was referred to the Committee on Agenda.

The six great committees were, as usual:

First—On Legal and Constitutional Questions. (Amendments, Conciliation, Procedure, Assignments of Expenses.)

Second—On the Work of the Technical Organizations of the League (Economics, Transportation, Public Health, Intellectual Co-operation).

Third—On Reduction of Armaments.

Fourth—On Budget and Financial Questions.

Fifth—On Social and General Questions (Opium Traffic, Traffic in Women and Children, Refugees, International Language).

Sixth—On Political Questions—Applications for Admission (Hungary).

A delegate from Luxemburg was recognized on Thursday, September 7. This made the total number of States represented in this Assembly 45, which with the six absent States account for the whole number of States on the rolls of the League at this time, viz., 51.

The States not then in the League were fifteen in number: Abyssinia, Afghanistan, Dominican Republic, Ecuador, Egypt, Germany, Hedjaz and related Arab States, including Irak; Hungary, Iceland, Ireland, Mexico, Russia and vassal Soviet republics, Tibet, Turkey and the United States of America.

Wednesday morning, September 6, the Assembly chose six Vice Presidents, namely, Lord Balfour (Great Britain), M. Hanotaux (France), M. Teixeira Gomes (Portugal), Count de Gilmeno (Spain), M. Ninichich (Yugo-Slavia). There, with the six chairmen elected by the great committees, constituted as usual with the President the General Committee, or Steering Committee of the Assembly.

**REPORT OF THE COUNCIL**—The Council's work for the year is described in a report filling 83 printed pages in long folio. The debate on the report ran through six sessions of the Assembly, beginning on September 5.

President Edwards proposed that the report be taken up chapter by chapter and each group of questions finished before another was taken up. Lord Robert Cecil favored retention of former usage in deferring discussion of any proposal until some committee had considered it and made report. The Assembly ought not to review the Council's work in detail and the debate on the Council's report should not be unduly prolonged. President Edwards agreed with Lord Robert, and the former's suggestion was referred to the General Committee.

September 5 a telegram from Bolivia accorded credentials to two representatives of that country, and the Committee on Credentials accepted the telegram, but on the 10th the Bolivian Government withdrew credentials and representatives, reserving for itself the right to renew at the proper time its request that Chile should be invited by the League to revise the Chilean-Bolivian Treaty of 1904.

Midhat Frasheri expressed the gratitude of the Albanian Government and people to the League of Nations. He pointed out that differences with Yugo-Slavia had been composed and called upon Greece to be equally considerate.

"The anarchy sown in our country by foreign interference and by various foreign occupations has now given place to perfect tranquillity. The Albanian nation, which was known to the whole world as a nation armed to the teeth, voluntarily laid down its arms, without a blow, at the bidding of the national authorities, and thus proved to the world and the League of Nations, of which it considers itself the ward, that the warlike spirit which it had hitherto shown had only been assumed in order to defend its liberty and honor and to escape from the shame of servitude.

"Today, in Albania, roads are everywhere being constructed, and primary and technical schools have been established; we have instituted a French-speaking college, a school of agriculture, two teachers' colleges and three boarding schools for the sons of mountaineers. Excavations are in progress in the classic soil at Durazzo, ancient works of art have been discovered, and a museum is being founded."

Chapter 9 of the Council's report dealt with the Protection of Minorities. In moving the reference of four out of the five sections of the report to the Sixth Committee, Prof Gilbert Murray said: "I have had reports made to me from representatives of minorities in various places, and I have said to them, 'Well, appeal to the League; there is the League ready to hear you.' On more than one occasion they have answered me, 'We are afraid to appeal. We shall not be safe if we appeal'. They may be wrong, but as long as that feeling subsists we have not done our work.

"Again, if you take certain troubled regions in the east of Europe, for instance Macedonia, all through our lifetime, and before that, Macedonia has been a country of alarms and fears, a country full of violence, a country in which the danger and the fear in which the population live are actually written on the landscape. The villages are built, the houses are built, as if by people who are always afraid of some attack. It is the business of the League of Nations to restore security and peace to Macedonia. Have we done it? Clearly we have hardly begun it. There are many obstacles in the way, but we have not done it. Have we made sure that the Jews can live like ordinary free citizens as long as they obey the laws in every part of Europe? I do not think we have. There is a good deal therefore still to consider."

In the same connection Sir Edgar Walton, Administrator of Southwest Africa, called the Assembly's attention to a report on a massacre of natives in that territory, and said

that a special Commission of Inquiry had already been appointed by the South African Government.

Lord Robert Cecil suggested that in choosing the native or resident Saar Valley Commissioner to sit with the other four on the Saar Valley Governing Board, the Council might nominate in collaboration with the new Saar Valley Advisory Council. Reviewing the burning questions of the day the Greco-Turkish War, Russia, Austria, the Allied debts, reduction of armaments, he regretted that they had not all been left to the League. "The League, if it is to be the great international organ, must be all or nothing." Sir Arthur Steel-Maitland (New Zealand) referred to the fact that slavery exists in Abyssinia, and that it is connected with the traffic in arms and ammunition from highly civilized nations.

The Finn delegate criticized the action of the Council on January 14 in referring to negotiation the Finn complaint of Russia withholding of promised autonomy from Eastern Karelia. The Russians had refused to negotiate directly with Finland about it, and had refused to refer it to the League Council. Finland intended to ask the Council to request the Permanent Court to deliver an advisory opinion.

**BRAZILIAN INDEPENDENCE**—September 7 the Assembly sent a telegram of felicitation to Brazil in honor of the centenary of Brazilian independence.

**REPORT OF THE COUNCIL**—Lord Robert Cecil and M. Motta, in their speeches of September 6 and 7, having both expressed the opinion that the League must be a League of all nations in order to take cognizance of all international quarrels, Lord Balfour on September 8 answered their criticisms. Calling attention to the fact that machinery exists to bring every complaint from Saar Valley inhabitants before the Council, he warned his hearers that some people were more anxious that the Saar Valley Government should be discredited than that the valley should be well governed.

Concerning the Greco-Turkish catastrophe he said:

"The only other commentary of which I think I need take note this morning was one passed by Lord Robert Cecil upon the neglect by the Council of taking any active steps to bring peace in the Near East, and to prevent the horrors of war, of which for months and years past we have now been the helpless spectators. I feel so strongly upon the horror of the existing situation that I am disinclined to criticize in any vehement fashion those who think the League of Nations

ought to have intervened. But we cannot forget that the League of Nations is not in this case assisted by treaties, it is not in this case face to face with two members of the League bound by solemn pledges to carry out its objects. We have to remember that the League has neither money nor ships nor men. What it has got, in, I believe, increasing amount, is moral influence; but the method of using this moral influence to bring peace in these particular areas, and in the face of Kemalist action, is surely a rather forlorn hope.

"Remember that the founders of the League conceived that they were setting up a machinery to preserve a peace which the founders of the League imagined they had established. They thought—and when I say 'they,' in a humble capacity I was one of them myself—we thought, let me say, that we were engaged in the task of removing the debris of a great war, of rearranging the map of Europe more in conformity with the wishes of its population, and of laying down the solid foundation of a peace which, with a little good will, with help from the League of Nations by the operations of moral forces, might be eternal.

"I do not say that that dream, as it was then, is not going to turn out to be a solid reality in the time of many whom I am now addressing. But evidently and notoriously all the statesmen and all the publics in the world did not foresee the character of the post-war calamities from which we are still suffering, and the machinery of the League contrived by them was not intended and was not calculated and was not capable as I think, of either settling the terms of peace or itself putting an end to the great war. This miserable, wretched, unhappy and calamitous struggle now going on in the Near East is the last phase and episode of that great war. It is what remains of the horrors of war from which we have suffered since 1914, and though we are bound in this Assembly to do everything we can to alleviate this and all other calamities, we must remember that it was not to deal with this particular kind of crisis that we were brought into existence, and that whatever our machinery may become in the development of years, at this moment we are very ill-equipped for taking a decisive part in dealing with this terrible scourge. May I point out to you, moreover, that even as regards the duties which clearly do lie before us, as regards the functions for which we were equipped by those who created us, we are very imperfectly equipped, and that though I think our moral

position is improving, though I think our authority is greater than it ever was, however much less it is than it is some day destined to be, we are still miserably equipped, as I have already indicated, by our mere want of money, for doing many of the things effectively that might otherwise be within our power. I do not like hearing speakers who get up do what perhaps I myself have been doing, which is conveying to the world, so far as the world will listen to me, what the League of Nations is capable of doing and what it will do if only it is supplied with funds, when I see before me the melancholy proofs that the various nations of the world who compose us are very reluctant to give us the means of carrying out our duties.

"We suffer in public opinion from a class of critics which say that we are the fantastic product of idle dreamers, who are going to have no effect upon the world's history, whose labors can only result, if they result in anything, in disarming the peaceably disposed nations of the world and leaving them an easier prey to those who are not peaceably disposed. Those are the critics of one kind.

"There are critics of another type—I hope Lord Robert Cecil will forgive me if I sometimes think he belongs to them—by whom we are regarded as almost a substitute for national organizations or at any rate for foreign offices and war offices, that in our efforts all separate international efforts of every nation in the world must be completely merged and who have a view—I think in his own epigrammatic phrase—that we were to be all, for if we were not all we should soon be nothing. I much prefer that kind of critic to the first kind; I much prefer the great idealist who sees these visions of this new world always before him, and I am far from saying that they are predestined to ultimate defeat. But I would warn every man and every woman in this room that if ever we are to grow to the heights of that great ideal, it must be by slow stages, by careful remodeling of our machinery to meet new responsibilities, and the mere fact that there is some great work to be done and that in the League of Nations there may some day be found a machinery for doing it, is not a sufficient reason for plunging into tasks for which at this moment we are very imperfectly equipped, for if we were to rush in, unasked, to deal with some great catastrophe, and if we showed, as we well might, that we had undertaken a task at present far greater than our ability; if, in other words, we insisted upon using an imperfect machinery in such a



manner that it broke in our hands, then, I should venture to say, we should be doing a lasting injury to an institution on which I, like Lord Robert Cecil, pin unlimited hopes in the future.

"It seems to me to be a most ignorant reading of history, a most impossible view of the slow results, the slow cumulative effects of human effort, to imagine that we, who came into existence but a few short years or months ago, who are even now face to face with a situation never contemplated by those who created us, should take on tasks beyond our ability, and act as if we had already acquired all the authority, all the prestige, all the administrative machinery and all the financial resources which would enable us to execute effectively these great visions of the future."

An Estonian delegate, M. Pusta, discussing on September 3 the paragraphs in the report about protection of minorities, referred approvingly to Prof. Gilbert Murray's previous statement that a new method of procedure about minorities must be evolved by the Assembly, and to Professor Murray's opinion that an answer must be found to the question, "Can the Jews live as free citizens on the sole condition of observing the laws of the countries wherein they dwell?"

Mr. Pusta added:

"I venture to point out that if a committee had to consider these questions, it would be obliged, in addition to dealing with the points raised by Professor Murray, to seek a solution to other questions, such as the following:

"What is meant by a racial minority? What is the number of nationals differing in origin, religion, or language from the majority of the population which is capable of being treated as a minority within a State?

"What is meant by the term 'religious autonomy?' What form should its organization take and what should its limits be?

"Pending the establishment of an international Minorities treaty, can the League recommend some of its members to conclude special treaties regarding their minorities?

"If the Committee finds satisfactory replies to these questions, and to any others which may arise, it may perhaps be able to draw up a model Minorities treaty, which at present we do not possess."

Among the speeches delivered in discussion of the Council's report, M. Bellegarde, of Haiti, speaking on September 8, concluded with these words:

### THIRD YEAR BOOK OF THE LEAGUE OF NATIONS

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"At Tuesday's meeting Sir Edgar Harris Walton, with a loyalty to which I pay tribute, spoke to you of a rising in Southwest Africa. I do not know whether you are acquainted with the events which took place in that part of Africa, but, in any case, I do not think that your attention has been sufficiently drawn to the gravity of the facts.

"I take no responsibility for the accounts which have appeared in the press; but we know, at any rate, that an expedition, said to be punitive, was made against the Bundels Hot-tentots, who are under the protection of the League of Nations.

"A tax had been imposed on the dogs which guard the flocks of these poor people. Taxation is the usual form in which civilization makes its appearance to savages. (Laughter.) As the tax was extremely heavy, the Bundels, who could not pay it unless they sold their flocks, refused payment. I do not know how the affair developed, but this is the story as told by the press, and I repeat that I take no responsibility for it. Although there was no act of rebellion and no attempts against life, an expedition was undertaken with all the materials of modern warfare—machine guns, artillery, and aeroplanes.

"The natives, who were practically unarmed, were massacred, and as there can be no choice of victims in an air attack, it appears that women and children were killed in great numbers.

"These facts are too important to be passed over by the Assembly, and I am sure that the High Commissioner will agree with us to ask the League, through its Permanent Mandates Commission, to obtain all possible information regarding these events. That women and children should have been massacred in the name of the League of Nations and under its protection is an abominable outrage which we cannot suffer."\*

Mr. Bellegarde offered a resolution calling upon the Mandates Commission to consider this story at its next session, and calling upon the South African Union to relieve the distress caused by the attack and to restore the economic life of the natives of Bundelzwart. This resolution was referred, as usual under the rules, to the Committee on Agenda, and eventually found its way to the Sixth Committee.

**PERU WITHDRAWS**—On September 8 the Associated Press sent from Lima a statement made by Foreign Minister Salomon in the Legula Cabinet.

"Peru did not name delegates to the present Assembly of the League of Nations," the Foreign Minister said, "nor had it any intention of naming any. Neither does it intend to name delegates in the future, since it considers that the League lost all its efficacy when the United States manifested its decision not to form a part of it. Peru will reconsider its attitude only in case the United States should decide to join the League."

#### *CONGRATULATIONS TO SPAIN AND PORTUGAL—*

On the 9th, after a speech by Count de Gimeno (Spain), in which he coupled the names of Sebastian Elcano and Magellan as the first circumnavigators of the world, and after a feeling response from the spokesman for Portugal, the Assembly authorized its President to send to the King of Spain and the President of Portugal a telegraphic tribute "to these two great nations and these two great men, who helped to promote communication and mutual knowledge between the most widely separate nations in the world."

*REPORT OF COUNCIL*—In the eighth plenary meeting of the Assembly on September 9, the general discussion of the Council's annual report was ended. Altogether twenty-seven delegates, representing as many nations, had participated in the debate.

The week from September 9 to 16 was filled with meetings of the Committees.

*SEPTEMBER 9. REPORT OF COMMITTEE ON AGENDA*—On recommendation of this Committee the Assembly voted that the Sixth Committee should report on the questions raised in the Council's report on the protection of minorities; also on the "recrudescence of slavery in Africa,"

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\*The facts stated in Sir Edgar Walton's report were summarized in the press of September 9, as follows:

The Bondels were described as a quarrelsome people by nature. It was recounted that some years back the Germans chased out Jake Christian and Abe Morris, native leaders who in 1919 went back and were permitted to stay. Jake wanted to be chief and the tribe wanted him, but the mandate administrator named Tim Beukes and backed him up.

Then in 1921 the dog tax was levied at the rate of one pound sterling on one dog, and a graded scale up to ten pounds on five dogs. The official reason given was that the natives used dogs to hunt and would not work. It seems the natives tried to some extent to raise the money to pay the taxes, but found so much difficulty that they refused to pay. Whereupon a Boer force was sent against them.

In fighting at the end of May and the beginning of June, eighty or a hundred natives, including some women and children, were killed, and Jake was put to flight. The report admits that airplane bombs were used.

When the attention of the Government was called to this story, an inquiry was ordered, and the dog tax was reduced 50 percent.

described by Sir Arthur Steel-Maitland; also on mandates and the Hottentot massacre in Southwest Africa.

**SEPTEMBER 11. AMENDMENTS**—The Sub-Committee of the First Committee discussed briefly proposed amendments to Articles X and XVIII of the Covenant, and decided to recommend a continued postponement of consideration of such amendments. The First Committee debated the subject on the 13th, when the Canadian delegation proposed this addition to Article X: "But no member shall be under obligation to engage in any act of war without the consent of its Parliament, Legislature, or other representative body." M. Motta (Switzerland) questioned the wisdom of proposing new amendments when none of those already voted by the Assembly had as yet been ratified by enough nations to give them validity.

**HOUSING THE LEAGUE OF NATIONS**—In the Fourth Committee, September 12, the Swiss member, speaking for the Federal Council of Switzerland and for the Canton and City of Geneva, announced an offer of land suitable for buildings for the Assembly, and for the Labor Office, on a site adjoining the present League of Nations building, and on another site on the lake front, about 40,000 square yards in all.

**MINORITIES AND MANDATES**—On September 12 the Sixth Committee discussed at length the protection of minorities, and in its Sub-Committee on Mandates approved a statement about Nauru Island, to the effect that Great Britain had not transferred its responsibility but had associated Australia and New Zealand with itself; furthermore, that the three Governments did not hold the phosphate concession as mandatories but as voluntary purchasers from the former private owner.

**REPORT OF COMMITTEE ON AGENDA ON LITHUANIAN PROTEST**—At the ninth plenary session of the Assembly on September 15 the Committee on Agenda recommended, and the Assembly voted, to deny discussion of the Polish Statute of Vilna and of the elections to be held in the Vilna district, and to refer the accusation of abusive treatment of Lithuanian people in the Vilna district to the Sixth Committee. This decision left Poland free, so far as the League of Nations is concerned, to have delegates to its Parliament elected in the Vilna district. Zeligovski's grab may therefore be said to have succeeded and to have been internationally recognized even more completely than d'Annunzio's similar assault in Fiume.

*SEPTEMBER 15. HEALTH ORGANIZATION. REPORT OF THE SECOND COMMITTEE*—At the ninth plenary meeting of the Assembly, September 15, the final report of the Second Committee on the work of the Health Organization was presented and approved. There were two resolutions. The first resolution expresses the satisfaction of the Assembly that the Health Organization, with the approval of the Genoa Conference, will direct the anti-epidemic campaign mapped out at the Warsaw Conference; that the Health Organization, with the approval of the Council, has been empowered by various countries to act as mediator under certain bilateral sanitary conventions which had their source in the Warsaw Conference; that the Health Organization is co-operating with the Opium Traffic Commission, the Communications and Transit Commission, the Mandates Commission, and the "Office International d'Hygiene Publique," which is soon to convene a conference; that the Health Organization is helping to standardize sera and serological tests and to diffuse epidemiological intelligence; that the Health Organization is moving to secure an interchange of sanitary personnel of various Governments. Thanks were given to the Rockefeller Foundation for its financial aid. The third and final section of the first resolution follows:

The Assembly considers that the Health Organization of the League of Nations is undertaking a task of permanent utility and that it is indispensable that it should continue its activities.

The Assembly considers that it may be possible, before the meeting of the fourth Assembly, to prepare, on the basis and according to the principles adopted by the first Assembly for the Technical Organizations of the League, the constitution of a permanent Health Organization, which will be submitted to the fourth Assembly for approval. In such case this organization will undertake the duties laid down in the resolutions of the first and the second Assemblies. It may, if necessary, function meanwhile within the limits of the budget and in anticipation of the above-mentioned approval of the fourth Assembly. To this end the Assembly authorizes the Council to take advantage of such general conference as may be convoked, it being understood that all States Members of the League of Nations shall be invited to send delegates thereto.

It also suggests to the Council that an attempt be made at the forthcoming conferences to make such arrangements as may be necessary to avoid duplication.

The second resolution stressed the importance of continuing the campaign against epidemics in Eastern Europe, noted that the governments represented at the Genoa Conference agreed in principle to the participation of all European States in the expenses of such a campaign under the direction of the League Epidemic Commission, and finally noted that the British government has offered a contribution of £100,000 for this purpose, provided other governments contribute £200,000 between them.

The Assembly expressed the hope that the government's members of the League will be able to respond to this generous offer at an early date.

A third resolution directed that—francs be included in the budget of the Health Organization as a League contribution to the Temporary Epidemic Commission. As this referred to the new budget, the resolution was referred to the Fourth Committee. A British delegate held that the sum then suggested, which was 125,000 Swiss francs, must be considered as a temporary and not a permanent charge. The sum finally recommended and agreed upon was 50,000 francs.

*SEPTEMBER 15. MOTION REFERRED*—A Belgian delegate proposed a resolution asking the Council to seize any opportunity to help Georgia in shaking off the Soviet yoke. It was referred to the Committee on Agenda. A Chinese delegate proposed that the Committee on Amendments should formulate definite rules for the election of non-permanent members of the Councils, and this was referred directly to the First Committee.

*SEPTEMBER 15. REPORT OF THE INTERNATIONAL LABOR OFFICE*—The Fourth Committee, being in session on the Budget Estimates of the International Labor Office, listened to a report by M. Albert Thomas, Director of the Labor Office, upon the work of his organization since September, 1921. This report was summarized in the Journal (September 16) as follows:

"Following the decisions of the first three International Labor Conferences, forty-six ratifications of draft conventions had been deposited with the Secretariat of the League of Nations and twenty-two ratifications had been authorized by Parliaments during the preceding year. Two hundred and nineteen draft laws had been presented to the national Parliaments with the object of applying the provisions of draft

conventions or recommendations of the International Labor Office, and several of these draft laws had been placed upon the Statute book.

"In conformity with the provisions of the Treaties of Peace, the Office had been called upon to play an important part in the liquidation of the funds of social insurance institutions in territories which had undergone a change of sovereignty.

"The assistance of the Office has been requested by several States, with a view to the conclusion of international agreements relating to social problems.

"The scientific activity of the Office had not been less considerable than its diplomatic activity.

"A library, containing some 100,000 volumes, had been collected and constituted a valuable source of information for specialists on social questions.

"Efforts had been made to introduce uniformity into the methods of dealing with labor statistics, and interesting results had been achieved. Extensive inquiries, such as the inquiries into production, unemployment, and the regulation of wages, had been undertaken, either by a decision of the International Labor Conference, or at the request of Governments. The Office tended to be more and more frequently consulted by Governments which were organizing or improving their social legislation. Inquiries undertaken in response to the wishes of these Governments had in many cases enabled the Office to prepare and publish pamphlets of general interest. The sale of these publications produced appreciable profits, which enabled the contributions of States to the Budget of the International Labor Organization to be reduced.

"It was necessary, in examining the Budget of the International Labor Office, not to lose sight of the task it had already accomplished as an organ of conciliation and of social peace throughout the world."

*SEPTEMBER 15. RUSSIAN REFUGEES*—The Fifth Committee received a report from Dr. Nansen.

His organization had been in touch with every Government in whose realms refugees were to be found in any numbers. His representatives had also coordinated the activities of voluntary societies. In countries where there was special need, special League offices had been established, notably in Constantinople, where 25,000 refugees had been registered, and by means of which about 10,000 had been evacuated. Similar

offices had been started in Sofia and Belgrade on a smaller scale. These offices had helped to secure visas and to find employment for large numbers of the refugees.

It had been proposed that other offices should be established in Warsaw and Berlin, but the financial aspect of the matter had to be considered.

If the work were to be continued, it was essential that next year a sufficiently large budgetary appropriation should be granted in order to enable the necessary administration to continue without the daily anxiety with regard to funds which had existed hitherto.

On the whole, the refugees had shown great determination to obtain productive employment. The work of the labor exchanges had been very successful in France and Czechoslovakia. He suggested that the Committee should pass a resolution urging Governments to afford the Russian refugee organizations the assistance of their Government labor exchanges, and to give the refugees every opportunity of traveling in search of employment.

The Advisory Committee of private organizations working for refugees had in May last appealed strongly to the large immigration countries overseas to absorb numbers of refugees, and thus to relieve the overcrowded labor markets of Europe. The Committee should not forget the generous endeavors of countries like Czechoslovakia, Poland, Yugoslavia and Bulgaria to receive tens of thousands of refugees in spite of their own economic problems.

At the request of the Government of Czechoslovakia, he had appealed for assistance for the refugee students and children. The result of his appeal had been disappointing, as the vast majority of the Governments were not in a position to give the assistance required. He was now directing his efforts towards supporting those charitable organizations which were working for the same purpose, and he hoped that by a resolution the Committee would draw public attention to these voluntary organizations.

The problem of passports and identity certificates was of the most urgent importance. Without a passport no refugee would leave a country, however good his chance might be of obtaining work elsewhere. Serious consideration had been given to the legal status of refugees, and Russian lawyers had been consulted on the subject. A Government conference had been held in July on the subject and the sixteen Government



representatives at that conference had agreed upon a form of identity certificate, and also to regulations governing its use. The Governments of Finland, France and Great Britain had expressed their willingness to adopt the proposals. He begged the Committee to invite all Governments to give effect to these proposals in a resolution.

The Bulgarian member said that his country had received 30,000 refugees, and found work for several thousands. The Yugoslav member said that his country was spending 6,000,000 dinars a month on more than 50,000 refugees. The Rumanian member (Mlle. Vacaresco) said that there were 95,000 refugees in Rumania, an excessive burden. The French member said that his country had spent 200,000,000 francs on Russian refugees. This estimate probably included expenditures for Wrangel's army. The Polish member said that it was most difficult to find work for the "Intelligentsia."

*WAR PRISONERS REPATRIATED*—Dr. Nansen stated that 166,579 prisoners of war had been repatriated from Russia to Europe and 254,456 from Europe to Russia. This had involved no expenditure on the part of the League, the funds (£400,000) having been provided by the Comité international de Secours in Paris, various Governments and from other sources. He also recorded his appreciation of the co-operation of the German and Soviet Governments.

*SEPTEMBER 15. HUNGARY*—The Sixth Committee listened to a statement by Count N. Banffy, Hungarian Minister for Foreign Affairs, and then voted to recommend the admission of Hungary to the League. The Czech member, prior to the vote, remarked that the Reparations Commission in Paris had suggested that Hungary's admission ought to be accompanied by the fulfillment of the reparations clauses in the Treaty of Trianon, but he joined the others in approving the recommendation.

*SEPTEMBER 17. EASTERN GALICIA*—On Sunday, September 17, a delegation of Ukrainians from Eastern Galicia notified the Council that Poland's purpose to have elections in Eastern Galicia in November for delegates to the Polish Diet would probably excite war there, since the Ukrainian inhabitants would interpret such action as annexation to Poland. The Peace Treaty had left the status of Eastern Galicia to be determined later.

The result was the introduction of a motion in the tenth plenary meeting of the Assembly on the next day to hasten the fulfillment of the implied promise in the treaty. This was referred to the Committee on Agenda, on whose recommendation it was, on the 19th, referred to the Sixth Committee.

*SEPTEMBER 18. ADMISSION OF HUNGARY*—In the tenth plenary meeting of the Assembly, the Sixth Committee presented its recommendation that Hungary be admitted to the League. A Czechoslovak delegate, M. Osusky, speaking as the representative of the three States in the Little Entente, discussed Hungary's "intention to observe its international obligations" (Article 1 of the Covenant). In the Treaty of Trianon Hungary promised to disarm and to abolish compulsory military service. It has been abolished there by law, but citations from Hungarian newspapers of January and March, 1922, seemed to show it still in force.

Moreover the Allied Military Commission reports that the Hungarian Government made it very difficult to search for concealed arms.

In the treaty Hungary promised equality before the law for all its nationals and equal civil and political rights without distinction of race, language or religion. In 1920 the Hungarian Parliament had enacted a law that "only persons whose national and moral sentiments could be absolutely depended upon" would be permitted to enter colleges and universities. Later in the same year a decree based admission to any college or university on the possession of a special permit. These laws, still in force, were aimed especially against Jews. Protests against this legislation are said to have elicited from the Minister of Education the statement that these laws were essential for the protection of the Magyar race.

The ban upon the Habsburg dynasty was another "international obligation."

The Little Entente forebore to press the matters here referred to because Count Banffy had solemnly promised that Hungary would observe all its international obligations in accordance with the treaties and the agreements subsequent thereto.

Hungary was then admitted to the League by unanimous vote, and on the same day Count Banffy addressed to the President of the Assembly a note to the effect that M. Osusky had not raised these questions about Hungary's good faith in

the meeting of the Sixth Committee where an opportunity for explanation was possible.

*SEPTEMBER 18-19. TRAFFIC IN OPIUM*—From the report of the Opium Traffic Commission, closely studied by the Fifth Committee on September 7 and 9 four resolutions were formulated and approved by the Committee. They were presented to the tenth plenary meeting of the Assembly by Mlle. Bonnevie (Norway), and received the sanction of the Assembly on the next day, September 19. The resolutions urged on all Governments the vital necessity of adopting the import and export certificate system without delay, and developed the new proposal that the Advisory Committee should examine whether it would be advisable to ask Governments not to issue licenses for the import of opium and other dangerous drugs except from countries which had ratified the Opium Convention and adopted the system of import and export certificates.

Although the certificate system was unanimously approved by the Second Assembly it has not yet been adopted by twenty-six States, members of the League, among them States whose action upon this traffic will be most important, as Persia. If the Advisory Committee returns a favorable answer to the "new proposal" referred to, the Council is asked to act upon the recommendation at once without further reference to an Assembly. It is to be noted that eight member States, Persia among them, have not yet adhered to the fundamental Opium Convention of 1912; Turkey is also a non-adherent.

The Assembly made a further appeal to Governments for information as to the amount of opium and other drugs required by each country for internal consumption, and recommended that the inquiry now being made into the legitimate needs of the whole world should be pressed forward as much as possible.

The Governments are asked to show how they make their estimates, and to tell the estimated consumption per 100,000 inhabitants.

The Advisory Commission reported that only four countries, Great Britain, Canada, France and Italy, had made the desired annual report on the opium traffic for the year 1921.

Finally, the Assembly, convinced of the urgent necessity of the fullest possible international co-operation in this work and in view of the fact that the United States is one of the most

important manufacturing and importing countries, recommended to the Council that it address a pressing invitation to the United States to nominate a member to serve on the advisory Committee.

Among the enlightening speeches in the Assembly on this topic Viscount Chelmsford for India emphasized the fact that only universal co-operation among the nations could secure control of this traffic. A Chinese delegate said that since 1917 China was suffering not so much from the opium traffic as from morphia. China does not produce an ounce of morphia, but tons of it are annually smuggled into China.

The Maharajah of Nawanagar (India) described opium as the Hindoo laborer's equivalent for the wine and beer of Occidental countries. The average consumption of opium in India is small, about two grammes per head per annum, which would be of the weight of two-thirds of one ordinary lump of sugar.

*SEPTEMBER 18. GREEK AND ARMENIAN REFUGEES AT CONSTANTINOPLE AND THE WAR IN THE NEAR EAST*—Over 200,000 refugees from Smyrna and Brusa having fled to Constantinople, Dr. Nansen asked for authority to use his refuge relief organization in succoring them. The Assembly voted to refer this to the Fifth Committee.

He also asked the Assembly to request the Council to act under Article 11 of the Covenant to put an end to hostilities between the Turks and Greeks. At the same time Sir Joseph Cook, head of the Australian delegation, received a telegram from Premier Hughes, asking him to invoke the action of the League in the Near East dispute. The Assembly voted to refer Dr. Nansen's proposal to the Committee on Agenda and later it was sent to the Sixth Committee. To the same committee was referred a motion by Lord Robert Cecil about a national home for the Armenians. Subsequently it was sent to the Sixth Committee.

On recommendation of the same Committee the Belgian motion of September 15 about Georgia was placed upon the agenda and referred to the Sixth Committee.

To the Committee on Agenda was referred a proposal by the Persian delegation, September 19, that the Council be asked to send a Neutral Commission of Inquiry to investigate the accusations which Turkey and Greece make against each other concerning the treatment of civilians. The Persian dele-

gation had received a letter from the Angora Government saying that the Turkish National Assembly asked the League of Nations for an impartial judgment and for protection for Mohammedan minorities in Thrace. On the 20th the proposal of the Persian delegation was referred to the Sixth Committee, and on the same day the Greek delegation objected to the procedure of the Persian delegation as irregular, and to the suggestion about an inquiry concerning Thrace.

The action on Dr. Nansen's first motion was speedy. The Fifth Committee discussed it at length on the same day, September 18. Upon that Committee's recommendation the Assembly on the following day invited the Council to help Dr. Nansen to secure funds for this emergency call, "it being understood that the League undertakes no responsibility for these refugees, that the work for Russian refugees shall continue without hindrance, and that this additional activity be considered of a temporary nature."

Immediately afterward the Council met and appropriated out of "unforeseen expenses" the sum of 100,000 Swiss francs to enable Dr. Nansen to take the necessary administrative measures for a period sufficient to allow adequate finances to be received from other sources.

On September 25 Lord Balfour, again drawing the attention of the Assembly to the extreme urgency of bringing effective aid to the refugees in the Near East, announced that the British Government would contribute £50,000 on condition that other Governments contributed an equal amount between them. This was followed by an offer of £1,000 from New Zealand, whose delegation proposed a resolution, unanimously carried, requesting the delegations at the Assembly to place the situation before their respective Governments and to recommend an immediate and adequate financial contribution. Lord Balfour appealed to the Persian delegation to let "other Moslem Powers" know the feeling of the Assembly.

Notice was subsequently received of the following contributions: Greece, £5,000; Canada, £5,000; Spain, £2,000, and Sweden, Norway and Denmark, £1,000 each. Luxemburg promised a contribution without stating a definite amount.

M. Ador, the Chairman of the International Committee of the Red Cross, announced that the International Committee had already sent delegates to Constantinople, Smyrna and Brusa, in order to report on the situation of the population, and to bring them the assistance which the British Red Cross

and the Union Internationale de Secours had put at the disposal of the Committee.

**SEPTEMBER 18. LITHUANIAN PROTEST AGAINST TREATMENT OF LITHUANIANS AND WHITE RUSSIANS IN VILNA**—The Sixth Committee heard angry speeches by Lithuanian and Polish representatives. The former made four accusations against the Polish Government in the Vilna district:

1. Interference of the Polish authorities with Lithuanian education; Lithuanian schools had been closed and professors arrested and imprisoned;
2. The suppression of the Lithuanian press;
3. The arrest and imprisonment of Lithuanians who had committed no offense;
4. The programs against the Jews, accompanied by torture.

In conclusion he asked the Assembly to send a special commission of inquiry to the spot, and further suggested that the Council should send a permanent representative of the League to reside in the district.

M. Askenazy (Poland) said that the accusations of the delegate of Lithuania had already been repeated before the Council, and the Polish delegation had already replied to them in detailed reports. In answer to the four chief charges, he said that every Lithuanian school was open, that full liberty was allowed the Lithuanian press and that every Lithuanian who had been arrested had now been set free, although 200 persons belonging to the Polish minority remained imprisoned by the Lithuanian Government. It was unnecessary for him to reply to the charges in regard to the persecution of the Jews. A commission of inquiry had been appointed by the Polish authorities which had proved that every charge was unfounded.

There was considerable approval in the Committee for the suggestion of a commission of inquiry, but the majority favored leaving the whole matter in the hands of the Council, which had already, by vote of January 13, 1922, sent a commissioner to the neutral zone between these two States.

This recommendation by the Committee came before the Assembly on September 21 and was approved.

**SEPTEMBER 19. MANDATES**—The Assembly began its discussion of the Sixth Committee's report, based on the report

of the Mandates Commission. This was the first time when the mandate system of the League had been in full operation.

The Assembly approved the Committee's resolution, offered originally by M. Dantes Bellegarde (Haiti) concerning the killing of natives in Southwest Africa; as follows:

The Assembly, highly appreciating the action taken by the Government of South Africa in communicating, in its capacity of mandatory power for Southwest Africa, the report of the Bondelzwart Rebellion, 1922;

Moved by feelings of great anxiety for the welfare and the relief of the survivors:

Resolves to express:

(a) Its profound satisfaction with the official statement made by Sir Edgar Walton, delegate for South Africa, that a full and impartial inquiry will be made into all the facts of the Bondelzwart Rebellion and its repression;

(b) The confident hope that the Permanent Mandates Commission, at its next session, will consider this question and be able to report that satisfactory conditions have been established; and that, in the meanwhile, the mandatory Power will make every effort to relieve the suffering of the victims, particularly the women and children, and that it will insure protection and restitution of the remaining livestock, and, in general, the restoration of the economic life in the Bondelzwart district.

The Assembly and its Committee noted with satisfaction the intention of the Mandates Commission to investigate further the questions of indentured labor in the Pacific Islands, of the laws of land tenure in mandated territories, of the liquor legislation and the importation of alcoholic liquors in Africa, and to call the attention of the British and Belgian Governments to the social, economic and political effects of the Ruanda frontier. This frontier had been so drawn as to separate peoples from the land on which they were economically dependent. The Commission had expressed the opinion that forced labor in the mandated areas is practically unknown, but called attention to the social dangers attendant upon a system of indentured labor, e. g., Chinese male labor in Samoa, Nauru and other islands on three-year terms.

The Assembly and its Committee also noted the explanations concerning the administration of the mandate for Nauru and the phosphate monopoly there. Concerning the right of petition under mandates, the Assembly approved the report of the Committee, expressing the hope that

1. All petitions emanating from inhabitants of mandated areas should be sent to the Permanent Mandates Commission through the intermediary of the local administration and of the mandatory Power;

2. All petitions concerning the welfare of the inhabitants of mandated areas emanating from other sources should not be considered by the Permanent Mandates Commission before the mandatory Power had full opportunity of expressing its views.

In connection with this subject and with the powers of the Mandates Commission, there was a strenuous discussion introduced in the Assembly by Sir Francis Bell of New Zealand, whose thesis was thus stated:

"New Zealand is under an honorable obligation to legislate and administer in accordance with the terms and intent of the Covenant of the League. She is bound to report annually to the Council. She is willing and anxious to receive suggestions and advice from either the Permanent Mandates Commission or the Council of the League, but she cannot admit that the Permanent Commission has power to interpret for her the meaning of the Covenant, or to dictate to her what procedure she should adopt in her endeavors to perform her duties to the League."

He argued first that the report of the Mandates Commission should be a report to the Council and not to the public. New Zealand did not desire opinions upon her laws or upon her administration from any persons other than the Council or the Assembly.

Secondly, when the Assembly referred such a report to one of its Committees, the delegates of the Mandatory had a right to require that Committee to inquire into and report to the Assembly upon any objection which the Mandatory offered to the language or findings of the report. It should be the right of the mandatory Power to appeal from adverse comment and to invite a decision from the delegates in the Assembly. The Mandatory could not be asked to alter its administration or repeal or amend its legislation until its fellow members of the League had decided that, in their opinion, the comment or criticism which had been made concerning its administration or legislation was justified.

Sir Sivaswamy Aiyer (India) said that the Government of New Zealand should "see that a due proportion of the sexes is secured among the laborers whom it recruits from China," and suggested that Chinese women would come if they were



offered the same work and pay as the men. He sharply criticised an utterance by General Smuts in September, 1920, to the effect that territories held under C class mandates are practically annexed. He urged that all mandated areas are to be administered as trust estates, and that every mandate is revocable.

M. Bellegarde (Haiti) discussed the subject of petitions from mandated areas, advocating the liberty of mandated peoples to lay their complaints directly before the League. He referred to the discussion of this subject in the Committee.

"It was very justly pointed out that the authority of the mandatory Power would be undermined if the inhabitants were permitted to apply directly to the Permanent Mandates Commission when they wished to make their complaints known. That is true. I know that all the mandatory Powers are actuated by the most generous motives toward the populations whose territory they administer.

Governments may have the best intentions, but when it comes to applying the rules they lay down it is another matter. Like the husband in the play, the Government is always the last to know what is happening, and when the population has complaints to make you ask them to communicate their complaints through the intermediary of the mandatory Power; in other words, you ask them to communicate their grievances to the very persons of whom they complain. \* \* \*

"I am well aware that the question is now before the Council. The British Government has asked for an examination of the question of the exercise of the right of petition. It is understood, therefore, that the question remains open and that the Committee is only expressing a hope. But if this hope is shared by you all, I think that it will be a manifestation of your wishes which will not be disregarded. \* \* \*

"I think we ought to guarantee full liberty and full independence to those who may have cause for complaint and who are under the protection of the League of Nations. No injustice must be committed in any place for which the League of Nations is responsible.

"I know that there are agitators, people who are never satisfied, people in whom the spirit of opposition is so strong that when their turn comes to take part in a Government themselves they evolve means of ejecting themselves from power. We have had such examples. None the less the task of discriminating between the petitions which are presented

should not be left solely in the hands of the mandatory Power. Some such petitions are trivial, and the mandatory Power will disregard them, but there are others which, though regarded as trivial by the mandatory Power, may nevertheless be denunciations of genuine injustices. It would be better to give full freedom to every one to address their complaints to the Permanent Mandates Commission; this would not prevent those who had complaints to make from addressing themselves at the same time to the mandatory Power. But it should not be laid down that the Mandates Commission is not to deal with any petition coming from the inhabitants of the territories under mandate unless transmitted by the mandatory Power; the examination of such petitions should not be precluded. No doubt this would impose a heavy burden on the Permanent Mandates Commission, which has already a great deal of work. But this is a small consideration; we have to prevent injustice from being done under our protection and on our responsibility.

"I repeat once more what was said in the Committee: Every British subject is entitled to appeal to the King; in this case the King for the population under mandate is the League of Nations. All those who have complaints to make must be allowed to appeal to their king; in other words, to us."

Dr. Nansen, representing the Sixth Committee, replied to M. Bellegarde thus

"All of us, I think, acknowledged the right of everyone to complain of any maltreatment or difficulties, but we adopted our conclusion for practical reasons. We thought it better that petitions should go through the local administration and the mandatory Power, because the Mandates Commission cannot deal with any complaint made without seeing the comments made by the mandatory Power. If, therefore, a petition was sent direct to the Commission or to the Council, it would have to be sent back to the mandatory Power, which would not shorten the process.

"On the other hand, it was emphasized that there was no risk of a mandatory Power trying to suppress a complaint. Publicity has reached such a pitch nowadays that everyone would know when a complaint was made, and no one would run the risk of suppressing it and exposing themselves to severe criticism. The petitioners themselves can always make it known in various ways that they have made a complaint,

and therefore we did not think the objection raised by the Delegate for Haiti would prove a valid one in practice."

Sir James Allen (New Zealand), speaking on indentured labor in Samoa and elsewhere, said that his Government had tried to bring the wives with the Chinese laborers, but they could get no assurance that the women who were willing to come with their laborers were their wives.

Sir Edgar Walton, High Commissioner for South West Africa, replied to the criticism of General Smuts's declaration that the C class mandate "amounted to virtual annexation. That is correct. As far as the condition of the people is concerned, and as far as their government is concerned, it is virtually annexation, because they are put under the same rules, the same regulations, and the same laws as the people in our own country. We cannot do more for people than that; we cannot do better for them than treat them as we treat our own people."

Lord Robert Cecil thought that petitions ought to be made out in duplicate, one sent to the Mandatory and the other to the Mandates Commission. He hoped that the Council would consider this solution. He also defended General Smuts, as the original proposer of the mandate system, and incapable of administering it in a spirit foreign to that of the Covenant.

*BOLIVIA VS CHILE*--In the Journal of the Assembly for September 20 was published a letter of appeal from Bolivia to all members of the League, written September 8 and addressed to the Secretary-General, demanding, as in 1921, a revision of the Bolivian-Chilean Treaty of 1904. The Chilean answer, dated September 19, was, as formerly, a flat refusal to regard the treaty of 1904 as open to discussion.

*SEPTEMBER 21. SLAVERY*—At the thirteenth plenary meeting of the Assembly, Dr. Nansen, for the Sixth Committee, brought up the question of slavery, especially in Abyssinia. This abuse is closely connected with the traffic in arms and ammunition in that country. The Assembly approved the following resolution:

"The Assembly decides that the question of the recrudescence of slavery in Africa shall be included in the agenda of the Fourth Assembly and requests the Council to present to the Fourth Assembly a report on the information which it shall have received on the matter."

*PROTECTION OF MINORITIES*—For the Sixth Committee M. Motta (Switzerland) presented a report with resolutions drafted originally by Prof. Gilbert Murray, and closely studied and somewhat amended in five sessions of the Committee. It should be noted that in case of appeals to the League from minorities, the procedure consists briefly in the following steps: the Secretariat when it receives a petition from a minority, communicates it to the Government concerned, before even passing it on to the Council, in order to permit this Government to make any remarks it considers necessary. Thereupon, the petition is studied, together with the remarks of the Government concerned, by a Council Committee consisting of the President and two Members of the Council. If this Committee considers that action should be taken on the petition, the latter is communicated to the Council, which can henceforward decide on what measures it considers suitable.

The resolutions, which define the principles governing the procedure for the protection of minorities, in final form are as follows:

The Assembly approves the report of the Sixth Committee with regard to the protection of minorities, and accordingly takes the following resolutions:

1. While in cases of grave infraction of the Minorities Treaties it is necessary that the Council should retain its full power of direct action, the Assembly recognizes that in ordinary circumstances the League can best promote good relations between the various signatory Governments and persons belonging to racial, religious or linguistic minorities placed under their sovereignty by benevolent and informal communications with those Governments. For this purpose, the Assembly suggests that the Council might require to have a larger secretarial staff at its disposal.

2. In case of difference of opinion as to questions of law or fact arising out of the provision of the Minorities Treaties, between the Government concerned and one of the States Members of the Council of the League of Nations, the Assembly recommends that the Members of the Council appeal without unnecessary delay to the Permanent Court of International Justice for a decision in accordance with the Minorities Treaties, it being understood that the other methods of conciliation provided for by the Covenant may always be employed.

3. While the Assembly recognizes the primary right of the Minorities to be protected by the League from oppression, it also emphasizes the duty incumbent upon persons belonging to racial, religious or linguistic minorities to co-operate as loyal fellow citizens with the nations to which they now belong.

4. The Assembly expresses the hope that the States which are not bound by any legal obligations to the League with respect to Minorities will nevertheless observe in the treatment of their own racial, religious or linguistic minorities at least as high a standard of justice and toleration as is required by any of the Treaties and by the regular action of the Council.

5. The Secretariat, which has the duty of collecting information concerning the manner in which the Minorities Treaties are carried out, should not only assist the Council in the study of complaints concerning infractions of these Treaties, but should also assist the Council in ascertaining in what manner the persons belonging to racial, linguistic or religious minorities fulfill their duties towards their States. The information thus collected might be placed at the disposal of the States Members of the League of Nations if they so desire.

Professor Murray had favored empowering the Council, with the consent of the Government concerned, to send its own representatives into disturbed minority districts to make inquiries and help in tranquilizing public feeling. The Committee decided that it is not yet safe to establish such a general rule. The Latvian and Finn delegates had wished to ask the Council for a Commission of Inquiry to define the position of minorities in clear, legal terms applicable to all members of the League. The Committee believed that these questions should for the present be solved by experience rather than by an attempt to codify international law on minorities.

The Maharajah of Nawanagar (India) asked for justice for Hindoo minorities in South Africa, and ventured to "remind the South African delegates, who are such sincere and shining protagonists of the League of Nations, that other virtues besides charity may well begin at home."

"These matters are, therefore, not merely causes of discontent locally in South Africa; they are causes of discontent all over India in a population approaching one-fifth of the human race. But more than this, if the present distinguished

Delegates of South Africa can induce their Government to settle these questions happily (I know, of course, there are difficulties, as there always are), not only would one house be set in order, but *three* houses would be set in order.

We of the British Empire are a big family. The British mother has taken to her bosom the grizzly bear, the kangaroo, the lion and the ostrich, the tiger and the kiwi, and with a family of that description quarrels are bound to occur. South Africa would be more contented and more united; the Government of the British Empire would be relieved of a troublesome political reference, and India would be deeply grateful and would feel that an old wound had at last been healed. But happily there is one cardinal virtue in the British Empire, that is when we are attacked by a common foe we are one really happy family, and the elements I have alluded to all unite together in the defense of the Empire."

Professor Murray replied that in South Africa it was not so much a question of minorities as of numerous neighbor races at very different stages of development. He emphasized the novelty of the functions of the League in such questions:

"The League comes to all these questions as the friend of both parties. It is a great thing to approach a question as the protector of the oppressed. Many people have approached the question of minorities from that point of view, but it is a much better thing to approach it as the friend of both parties, trying to understand the difficulties of both sides and to produce peace and good-will. That is what I think these resolutions have done or have tried to do, and I think that is due to the spirit of the League.

"I put it to everyone in this hall: Is it not really a remarkable sight that we have seen both this morning and yesterday? This morning we have seen the Maharajah of Nawanagar standing up and criticizing other parts of the British Empire without the least resentment being felt or the least wish to evade the issue.

"Is it not something without parallel in the history of the world hitherto that yesterday the Delegate from Haiti, with no sort of diplomatic or military power behind him, could stand up here, with perfect courtesy and perfect ease, to complain of certain actions which the great British Empire had taken towards people of his race? That that could be done in the face of the world with no resentment felt and no attempt on the part of the great Power criticized to evade the criticism or to complain of the language used, is remarkable. That it

has been done, ladies and gentlemen, surely shows that we have reached a new stage in the development of international relations.

"The mere fact of that being possible shows that the League of Nations is a reality and has already begun to exercise its power over the world."

M. Midhat Frasherî (Albania) made an able address analyzing the minorities problem from a legal point of view. Inasmuch as several speakers had referred to Switzerland as a model of harmony among three races of different religious beliefs, he, a Mohammedan, called attention to the amity of three religions in his own country, wherein the Moslems are in the majority.

"Homogeneity of race and language, the preponderance of patriotic feeling over every other consideration, and the age-long habit of the people of different religions living side by side in perfect brotherhood—these three factors have produced among the Albanians a mutual tolerance by which the Committee of Inquiry sent to Albania was greatly struck.

"When the Article concerning religious minorities was submitted to Parliament for its decision, the members, like ourselves, wondered who was the majority and who was the minority. For the President of the Upper Council was a Catholic Archbishop, whilst the President of the Council of Ministers was a member of the Orthodox Church, and the Chief of the Delegation which signed the Minorities Declaration was Mgr. Fan Noli, an Orthodox Bishop."

Count Banffy (Hungary) spoke of 3,000,000 Magyars living in States neighbor to Hungary.

M. Hanotaux (France) summed up the discussion, and gave a diplomatically worded reason for the failure of the Committee to approve Professor Murray's suggestion of permanent League representatives in troubled districts:

"We considered that there might be some objection to anticipate the events and disagreements, as it were, between minorities and Governments, and that, while it was clearly within the part of the League of Nations to watch these events attentively, there might be danger in the presence of permanent agents from the point of view of constituting unity in the countries to which the treaties applied. Their presence might sometimes create a kind of center of opposition, and we wished, above all things, to avoid the hindering of the process of agglomeration and coagulation, which, though it

is accomplished with some difficulty, must be accomplished in the end by the actual policy of the countries in question."

The Assembly unanimously approved the five resolutions.

*ESPERANTO*—In accordance with the instructions of the Second Assembly the Secretariat prepared and presented to the Fifth Committee a history of Esperanto as an international language and a discussion of the attitude of various Governments toward it.

Professor Murray proposed that member States be invited to consider at the next Postal Conference the possibility of admitting Esperanto to the postal and telegraphic services, in addition to national languages. After much debate, in which delegates of China, Japan and Persia supported Professor Murray, and the Norwegian, Brazilian, Swedish and other delegates opposed any League favor for a purely artificial language, the Committee rejected his proposal and recommended the reference of the whole question of the teaching of Esperanto to the Commission on Intellectual Co-operation.

The Assembly approved the recommendation by a vote of 26 to 2, and adopted the Secretariat's report with amendments.

*LITHUANIAN COMPLAINT AGAINST POLAND*—The alleged abuse of non-Polish inhabitants of Vilna by the Polish Government caused the Lithuanian delegation to ask that the Council be invited to send a Commission of Inquiry to investigate and to submit conclusions. Dr. Nausen and Lord Robert Cecil favored sending such a commission. The Polish delegation opposed this. The Sixth Committee and the Assembly both decided that the whole matter should be referred to the Council for special consideration.

*INCREASE IN MEMBERS IN THE COUNCIL*—On September 21 the Assembly was notified by letter that the Council proposed the increase of the non-permanent members of the Council from four to six (cf., Article 4 of the Covenant). This proposal, in form of a resolution, was referred by the Assembly to the First Committee.

In that Committee on the same day the subject was discussed. The Council's proposal was opposed for various reasons, that it would diminish the importance of the Assembly (Netherlands), that it would make small States so preponderant in the Council that the Great Powers would refer only minor questions to it (Switzerland). M. Motta thought that increase in non-permanent membership should accompany in-



crease in permanent membership, i. e., the admission of Germany, Russia and the United States. The majority opinion in the Committee favored the proposal as in accordance with democratic spirit. Meanwhile the Committee considered draft rules of procedure in the election of non-permanent members of the Council, prepared by the Chinese delegation.

The underlying reason for the movement to increase the number of smaller Powers in the Council seems to be the refusal of any of the non-permanent members of the Council to accept even a possibility of withdrawal. This made it absolutely necessary to have a body of rules providing clearly and justly for some kind of rotation in office.

### *SEPTEMBER 22. PROCEDURE FOR CONCILIATION—*

The report of the First Committee, laying down rules of procedure in conciliation, was presented to the Fourteenth Plenary Session of the Assembly by M. Adatei (Japan). This subject began with the proposals submitted by Norway and Sweden to the First Assembly. A special committee named by the Council had studied the subject in 1922, and the Council adopted its report in July, 1922.

M. Unden (Sweden) said he accepted with gratitude the scheme presented by the First Committee, though it did not go so far as the Swedish and Norwegian Governments had proposed. The scheme was based on three fundamental principles: First, it was not obligatory. M. Unden had preferred that it should be. Secondly, the Council remained the principal organ of conciliation, and might be directly invoked by one of the parties under Article 15 of the Covenant. Thirdly, particular treaties between individual States were recommended and not a general convention. Such a convention, open to signature and ratification by all member-States and to adhesion by other States, was favored by several delegations but was not finally approved. The First Committee, however, was opposed to the idea of a general convention, but added a recommendation favorable to the conclusion of such an arrangement. The plan recommended is essentially identical with the so-called "Bryan Treaties," of which about thirty were negotiated by the United States in 1913-14. All are based on a Hague Convention of 1907.

The chief objection to a general convention seemed to be the fear that it would not harmonize with Articles 12 and 15 of the Covenant by which the Council of the League was plainly designated as the organ of mediation and conciliation.

On the contrary, a resolution of the Assembly is a document of very different character. The Assembly approved the Committee's report and adopted the following resolution:

"With a view to promoting the development of the procedure of conciliation in the case of international disputes in accordance with the spirit of the Covenant, the Assembly recommends the Members of the League, subject to the rights and obligations mentioned in Article 15 of the Covenant, to conclude agreements with the object of laying their disputes before Conciliation Commissions formed by themselves.

"The organization of these Commissions, their competence and the procedure to be followed before them, shall be freely determined by the contracting parties. The parties are recommended in this connection to look for guidance to the provisions contained in The Hague Convention of October 18, 1907, for the pacific settlement of international disputes, and in particular to the provisions concerning the hearing of witnesses, procedure by employment of experts, rogatory commissions, inspection of places and replacement of members of the Commission. The rules laid down in the following articles are recommended to them for adoption. At the request of the members concerned, the Secretary-General may offer them the assistance of the Secretariat for the conclusion of conciliation conventions.

"Apart from the other means placed at its disposal by the Covenant to assure the maintenance of peace, the Council may, if necessary, have recourse to the service of the Conciliation Commission formed by the parties; it may invite them to bring their disputes before the Commission or it may refer to the Commission any dispute which may have been submitted to it by one of the parties in virtue of Article 15 of the Covenant. A conciliation convention made between two States of which one only is a member of the League of Nations or of which neither is a member of the League, will be applicable subject to the procedure established by Article 17 of the Covenant.

"The Assembly expresses the hope that the competence of Conciliation Commissions will extend to the greatest possible number of disputes, and that the practical application of particular conventions between States, as recommended in the present resolution, will, in the near future, make possible the establishment of a general convention open to the adhesion of all States.

## RULES.

"Article 1. The Conciliation Commission shall be constituted as follows:

"Each party shall appoint two members, one from among its own nationals, the other from among the nationals of a third State. The two parties shall jointly appoint the Chairman of the Commission from among the nationals of a third State.

"The parties may appoint the members of the Commission beforehand and for a period which they themselves shall determine. They may also confine themselves to appointing only the Chairman beforehand, in which case the other members shall be appointed after consultation with the Chairman at the moment when a dispute arises, their mandate being limited to the settlement of such dispute.

"Article 2. Disputes which fall within the competence of the Conciliation Commission shall be referred to it for consideration by means of a notification made by one of the contracting parties to the Chairman of the Commission and to the other party. The notification shall be communicated to the Secretary-General of the League.

"If all the members of the Commission have been appointed beforehand, the Chairman shall convene the Commission as soon as possible. If they have not been so appointed the Chairman shall invite the parties to appoint the other members within a period laid down by the Convention.

"Article 3. The Conciliation Commission shall meet at the seat of the League, unless the parties have fixed a different place of meeting in the Convention made by them or for the purpose of a particular case. The Commission, if it considers it necessary, may meet at a different place. The Commission may in all circumstances ask the Secretary-General to render it assistance in its work.

"Article 4. Subject to the right of the parties and of the Commission itself to extend this period, the Conciliation Commission shall complete its work within a period of six months from the day on which it first met.

"Article 5. Both parties shall be heard by the Commission.

"The parties shall furnish the Commission with all the information which may be useful for the inquiry and the drawing up of the report, and shall in every respect assist it in the accomplishment of its task.

"The Commission shall itself regulate all details of procedure not provided for in the Convention and establish rules of procedure for the obtaining of evidence.

"Article 6. The Commission shall take its decision by a majority vote of its members; the presence of all the members is required for a valid decision. Each member shall have one vote.

"Article 7. The Commission shall make a report on each dispute to it. In proper cases the report shall include a proposal for the settlement of the dispute. The reasoned opinion of the members who are in the minority shall be recorded in the report.

"The Chairman of the Commission shall immediately bring the report to the knowledge of the parties and of the Secretary-General of the League.

"Article 8. The report of the Conciliation Commission may be published by one of the parties before the settlement of the dispute only if the other party gives its consent.

"The Commission may, by unanimous vote, decree the immediate publication of its report.

"Article 9. Each party shall pay the allowances of the members of the Commission which it has appointed and shall pay half of the allowances of the Chairman.

"Each party shall bear the costs of procedure which it has incurred and half of those which the Commission may declare to be joint costs."

*REPATRIATION OF WAR PRISONERS*—Dr. Nansen presented a final report, showing that his work under this head is done. Since April, 1920, 427,386 war prisoners, representing twenty-six nationalities, had been returned to their homes at a cost not exceeding £400,000. The Assembly voted that "Dr. Nansen has indeed deserved well of humanity."

*SITUATION IN GEORGIA*—The Sixth Committee on September 20 discussed the resolutions about Georgia, introduced in the Assembly by M. de Brouckere (Belgium) on the 15th and referred to this Committee on the 18th. The Belgian resolution read as follows:

"The Assembly of the League of Nations, moved by the present unhappy position of Georgia as a country invaded and occupied contrary to the wishes of its inhabitants, invites the Council to follow attentively the course of events in that

part of the world, so that it may be able to seize any opportunity which may occur to help in the restoration of this country to normal conditions."

M. de Brouckere reviewed the recent history of Georgia. In May, 1918, it had declared its independence. A Constituent Assembly, elected by universal suffrage, sat in 1919. The Allied Powers recognized its Government as de jure, on January 26, 1921. Shortly afterward that Government was driven from the country by a Russian invasion, and a Soviet Government was installed by force.

"Was it possible for the League of Nations to remain indifferent when the legitimate Government of a country, submitted to a terrible dictatorship, addressed to it an appeal for assistance?" Mr. Fisher (Great Britain) said that it was dangerous to suggest to the Council a policy involving the use of force, and Lord Robert Cecil, agreeing with him, condemned the resolution as containing a defiance of Russia without any possibility of action. M. de Brouckere was supported by the Finn delegate. Amendments were proposed by Mr. Fisher and M. Motta, and the Committee finally agreed upon a resolution in the following form:

"The Assembly of the League of Nations, having considered the position of Georgia, invites the Council to follow attentively the course of events in this part of the world, so that it may be able to seize any opportunity which may occur to help in the restoration of this country to normal conditions by any peaceful means in accordance with rules of international law."

On the 22d the Assembly approved and adopted this resolution.

*SEPTEMBER 22. EASTERN GALICIA*—The Assembly reaffirmed the resolution of the Second Assembly that the Allied and Associated Powers ought to determine at an early date the status of Eastern Galicia. In Committee (Sixth) the Polish delegate said that his Government had drafted a liberal statute about which it is negotiating with the principal Allied Powers.

*ARMENIA*—A resolution favoring the provision of a national home for the Armenians, a virtual repetition of action by the Second Assembly, was presented to the Third Assembly by M. Motta for the Sixth Committee.

M. Motta raised the question whether it was wise to repeat recommendations which were not made effective, and answered

his own question with the assertion that the voice of the League with whatever moral authority is attached thereto should be always heard in behalf of Armenia. Only 300,000 Armenians in Turkey and 500,000 refugees remained out of an original Turkish Armenian population of about 2,500,000. The resolution was adopted thus:

"The Assembly notes with gratitude the action taken by the Council with respect to Armenia, and recommends that, in the negotiations for a peace with Turkey, the necessity for providing a national home for the Armenians should not be overlooked, and requests the Council to take all steps which it may think useful to secure this result."

*THE NEAR EAST*—Dr. Nansen's proposal of September 18 that the Council should, under Article 11, interpose between Turkey and Greece came before the Sixth Committee on Friday, September 22, when Dr. Nansen offered the following resolution:

"The Assembly resolves to request the Council to consider what steps it could take on behalf of the League, whether by offering its good offices to the belligerent parties or otherwise, to secure the immediate cessation of hostilities in the Near East."

Meanwhile on the 20th the Canadian, Australian and New Zealand delegations at Geneva had telegraphed to Premier Lloyd George, urging that the Turkish problem and that of the Dardanelles should be referred to the League. On the 21st Dr. Nansen is reported to have asked Kemal Pasha by wire whether he would accept such a reference.

A long debate took place in the Sixth Committee. Dr. Nansen argued that the war in the Near East was a matter of concern to the whole League and that the League was bound, in accordance with Articles 3 and 11 of the Covenant, to take any action which might prove wise and effectual to bring hostilities to an end. The debate which followed, in which representatives of Australia, Persia, China, the British Empire, South Africa, France, Italy, Bulgaria, Greece and Japan took part, developed two divergent lines of thought; the first that a direct responsibility rested upon the members of the League to use the League as a method of settlement of the difficulties, and the second that, as negotiations had already been undertaken by the belligerent Powers especially concerned, the League, while always standing ready to give its aid, ought not to endeavor to inject itself into the situation unless spe-

cifically asked to do so. The latter view was the one adopted by Great Britain, France, Italy and Japan, most of the others favoring the Nansen resolution. Mr. Fisher presented another resolution in which all mention of "good offices" was omitted, and this was the basis of a compromise resolution approved by the Committee and adopted by the Assembly on Wednesday, September 27, in the following form:

"The Assembly, animated by a sincere desire to see peace re-established in the Near East and to support any action which may be taken to achieve that object, learns with satisfaction that it is proposed to hold a special conference to consider the present situation with a view to finding a solution.

"The Assembly trusts that the Council, without interfering in any way with the proposed negotiations, will adopt such measures as it may deem timely and warranted by the stage reached in the negotiations, in order to give effect to the unanimous wish of the Assembly for an early restoration of peace."

Meanwhile on the 22d the Persian delegation withdrew the request that it had made on the 19th for a neutral commission for the protection of civilians in the Near East, on the ground that the International Committee of the Red Cross was already undertaking that work.

#### *SEPTEMBER 23. AMENDMENTS TO THE COVENANT*

—The First Committee had debated at length proposed amendments to Articles 10 and 18, and decided to recommend postponement of the subject. In the fifteenth plenary meeting of the Assembly on the 23d these recommendations were considered.

M. Joseph Barthelemy (France), speaking of Article 10, said that his Government favored its retention; if it were to be modified it must be modified in agreement with the United States when that nation joins the League. He characterized Lord Robert Cecil's proposal of a general treaty of guarantee as an attempt to remedy a deficiency in Article 10.

Mr. William S. Fielding (Canada) admitted that in former Assemblies the Canadian representatives (Messrs. Doherty and Rowell) had moved to strike out Article 10. The present Canadian Government would not go that far, but wished to see Article 10 interpreted. A doubt of the meaning of Article 10 had existed in the Canadian Parliament from the time when the Peace Treaty was first presented there.

"If it means the right to put nations into war by the mere vote of the Council, let us have the courage to say so; but,

speaking as a Canadian, as a member of a democratic Parliament, representing a democratic people, I say that we object to the idea that the Council should by its own action set the nations at war.

"So we proposed to add the proviso that while the advice that may be given by the Council must be regarded as a matter of the highest importance and while we must have all due respect and regard to the wishes of the Council and while we should endeavor to conform to the wishes of the Council, still the great fact remains that no Government should be under obligation to go to war without the assent of the Parliament representing the people."

The Assembly voted to postpone discussion of amendments to Article 18 "to a future session of the Assembly," and to refer the Canadian proposal about Article 10 to the Fourth Assembly, with a suggestion that the Council might have the subject studied.

*INDEMNITIES FOR CERTAIN JUDGES AND ASSESSORS OF THE PERMANENT COURT*—The Assembly approved recommendations of the First Committee, fixing the payments to Judges acting under Article 31 of the Statute of the Court, and to technical assessors assisting the Court under Article 26, and to those serving in cases connected with transit and communications.

*SEPTEMBER 25. INCREASE IN NUMBER OF NON-PERMANENT MEMBERS OF COUNCIL*—The first action of the Assembly in its Sixteenth plenary meeting was an approval of the Council's decision to increase the number of non-permanent members of the Council from four to six. One State, presumably the Netherlands, voted against the motion.

In the debate M. Barthelemy (France) observed that the idea of a balance in numbers in the Council between great Powers and smaller Powers had been only temporarily abandoned.

*SEPTEMBER 25. TRAFFIC IN WOMEN AND CHILDREN*—Mrs. Coombe-Tennant (Great Britain) presented a report from the Fifth Committee, based on the first report of the Advisory Commission, which held its first meeting at Geneva in June. The new Convention on this traffic has been signed by thirty-three States, but only ten have ratified it. The



Fifth Committee has been assured by delegations in the Third Assembly that thirteen more States will ratify soon.

The Fifth Committee on the initiative of the New Zealand delegate discussed the spread of venereal disease in seaports as a problem which could be solved only by international action. The Polish delegate announced that his Government had decided to abandon the system of licensed houses of ill-fame. He favored an international convention for the protection of foreign women who are brought into such houses because of ignorance of language and loss of means of support. Out of this discussion grew the one positive recommendation of the Committee to the Assembly in the following resolution:

"The Assembly decides:

"1. That the report of the Advisory Committee on Traffic in Women and Children be adopted.

"2. That, in view of the fact that the system of State regulation which exists in certain countries is thought in many quarters to encourage the traffic in women, the Advisory Committee should be asked by the Council to consider whether, pending the abolition of the system, it could be agreed that no foreign woman should be employed or carry on her profession as a prostitute in any licensed houses and that the recommendations of the Advisory Committee on the subject should be included in its next report to the Council."

The Assembly approved the report of the Committee and this resolution. Spain alone abstained from voting. Count de Gimeno explained that he was personally in favor of the resolution, but that public opinion in Spain is sharply divided on the question of State control, and his Government had not determined its policy.

**SEPTEMBER 26. REDUCTION OF ARMAMENTS**—The report of the Third Committee on this subject was presented to the Assembly at its seventeenth plenary meeting by Lord Robert Cecil. It was the sole business of the Assembly during two sessions on September 26 and was finally disposed of in the nineteenth plenary session on September 27. The Third Committee, under the Chairmanship of M. Cosme de la Torriente y Peraza (Cuba), began its discussion of reduction of armaments on Friday, September 8 and completed its work on September 23. In nine meetings, from its discussions and the reports presented, the Committee shaped sixteen resolutions, which were now offered to the Assembly as follows:

1. (a) The Assembly considers it is desirable that the Temporary Mixed Commission should be asked to continue for another year the work which it has begun and that its report be submitted at an early date previous to that of the next Assembly. The Assembly further requests the Council to invite the members of the League to lend their assistance and advice with regard to proposals for reduction of land armaments and a treaty of mutual guarantee.

(b) The Assembly desires to express its sense of the great value of the collaboration that has existed between the Temporary Mixed Commission and the Permanent Advisory Commission, and trusts that it will continue, and, if possible, increase. The Assembly is of opinion that the great technical competence of the Permanent Advisory Commission cannot but be of essential service in the study, from the technical military point of view, of the questions with which the Temporary Mixed Commission deals.

Approved in Committee, September 23.

2. The Assembly recommends that, as a preliminary step, the European States existing before the war in 1914, under their present description, whose juridical status has not been altered by the war, and which are not, at the moment, engaged in military operations which justify their armaments, be invited to reduce the total of their military, naval and air expenditure to the figures for 1913, calculated on the basis of pre-war prices, according to the method employed by the Temporary Mixed Commission.

Proposed by M. de Jouvenel (France). Approved by the Committee, September 14. The information gathered by the Temporary Mixed Commission shows that estimated defense expenditure of Governments for 1922-23 is less than that for the two previous years. It must be noted, however, that demobilization and decrease in cost of raw materials have caused some decrease in war charges.

III. The Assembly expresses its satisfaction at the remarkable work accomplished in collecting and drawing up statistical data in an entirely new and peculiarly difficult field.

Taking into account the work accomplished, and reserving the question of the scope it might be necessary to give to a statistical inquiry at a later date, the Assembly desires to determine for the coming year the programme which appears to it at the same time both immediately useful and practicable.

It therefore proposes that this programme should be limited to the two following points:

- (1) Peace-time armaments;
- (2) Expenditure on armaments.

The Assembly considers it desirable that the Council should request the Permanent Advisory Commission to collaborate with the Temporary Mixed Commission in that part of the work which deals with technical military, naval and air questions.

The work of a sub-committee, headed by Count Tosti de Valminuta (Italy), and approved in Committee, September 21.

IV. The Assembly, having considered the report of the Temporary Mixed Commission, is of opinion that the only step which could usefully be taken in connection with surplus stocks of arms and ammunition is the control of the international traffic in arms.

Moved by Lord Robert Cecil and approved in Committee, September 19.

V. The Assembly, having noted the proposal of the Temporary Mixed Commission for an international agreement for the control of the manufacture of arms by private companies, urges on the Council to consider the advisability of summoning at an appropriate moment, a conference of the Members of the League to embody this agreement in the form of a convention. The Assembly is further of the opinion that States not Members of the League should be invited to participate in this conference and to co-operate in the policy on which it may agree.

The plan of control suggested in the Committee was a system of national licenses to manufacture.

Lord Robert Cecil's report. Approved in Committee, September 16.

VI. The Assembly:

(a) Considers it highly desirable that the Government of the United States should express the objections which it has to formulate to the provisions of the Convention of St. Germain, as well as any proposals which it may care to make as to the way in which these objections can be overcome;

(b) Is of the opinion that the Temporary Mixed Commission should be instructed to prepare a scheme for the control of the international traffic in arms, to be considered by

the Conference which is to deal with the private manufacture of arms;

(c) Requests the Council to take such steps as it thinks advisable to carry out the purpose above indicated.

Lord Robert Cecil's report. Approved, September 16.

Before the Third Assembly met, the Secretariat of the League received a letter from the Secretary of State at Washington, dated July 28, 1922, and answering the letter of the Secretary-General of November 21, 1921, about the Convention of St. Germain.

The Secretary said: "While the Government of the United States is in cordial sympathy with efforts to restrict traffic in arms and munitions of war, it finds itself unable to approve the provisions of the Convention and to give any assurance of its ratification."

The Secretary offers no reason for the inability, but an examination of the text of the Convention shows a reason in the relation of the life and operation of the agreement to the Council and Secretariat of the League of Nations. The text of the Convention can be conveniently consulted in Pamphlet No. 164 of the publications of the American Association for International Conciliation (July, 1921).

By October 1, 1922, eleven States had ratified this Convention, but most of them made ratification conditional upon similar action by all the Great Powers. It was felt that without the adhesion of the United States the Convention was futile.

VII (a) The Assembly, having considered the report of the Temporary Mixed Commission on the subject of the development of chemical warfare, approves its action in establishing a special Sub-Committee to report on the probable effects of chemical discoveries in future wars, and requests the Council and the Temporary Mixed Commission to take every possible measure to secure the fullest publicity for the report of this Sub-Committee.

(b) The Assembly requests the Council to recommend the Members of the League and other nations to adhere to the Treaty of Washington (February 6th, 1922) concerning the use of asphyxiating gas and submarines in war, and other similar matters.

Section b of No. VII was originally proposed by Sir Mark Sheldon (Australia) and, with slight amendment offered by Mr. Urrutia (Colombia), was approved in Committee, September 23. M. Urrutia had originally proposed a new treaty between League members, extending to themselves the agreements of the Washington Confer-

ence on gas, submarines and capture of merchant vessels, but he withdrew his proposal in favor of Sir Mark Sheldon's.

VIII. The Assembly, having considered the answers from the Governments of twenty-six Members of the League to the inquiry issued to them by the Council as to the requirements of their national security, desires to state that it attaches the utmost importance to these replies as affording a basis for the further deliberations of the Temporary Mixed Commission, and recommends to the Council that it should once again urge the Members of the League which have not yet sent in their replies to do so without delay.

Approved in Committee, September 14.

The discussion on this subject in Committee began on September 8. Lord Robert Cecil, for the Mixed Commission, reported that:

- (a) Lord Esher's scheme had been set aside;
- (b) Forces must be limited in material as well as in personnel. There must be a numerical standard for personnel and a budgetary standard for material;
- (c) Colonial forces must be separately considered.

The answers of Governments revealed no confidence of immunity from sudden attack. Reductions that had been made (about 20 per cent.) were due chiefly to economic pressure. Twenty-four nations said that they maintained their armies at an assurance against aggression. Great Britain and France asserted inability to reduce land forces on account of the duty of enforcing treaties.

In the estimates submitted, Great Britain reported a reduction of 55 per cent. in naval tonnage, France 36 per cent., Italy 49 per cent., and Japan 59 per cent.

In land armaments France reported a reduction of 200,000 men under arms, and a shortening of the term of military service by one-half. Sweden also reported the cutting of her military service period in two. Italy reduced the period of service and suppressed 88 battalions of infantry.

Poland reduced her army of 1,000,000 men to about 260,000; Japan made reductions but failed to give the figures, while Switzerland reduced from 70 per cent. to 55 per cent. the proportion of her men eligible for military service.

Recent French legislation places a maximum number for all French troops at 725,000. The Government reported the actual number as 690,000. The estimates show in France 335,000 soldiers, and, outside of France, in the Rhine, 92,000; Sarre, 8,000; Upper Silesia and Memel, 10,000; Constantinople and the Straits, 8,000;

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Syria, Togoland and the Cameroons, 42,000. In Morocco, France maintains 85,000 troops in Algeria and Tunis, 75,000, and in other colonies, 70,000, of whom a large percentage are native.

The British statement calls attention to the fact that France has the largest air force in the world, being credited with 1,150 military planes as against 368 for England, 715 for the United States and 390 for Japan.

IX. The Assembly approves the recommendation of the Temporary Mixed Commission that the Council should consider whether the time has not come to discuss the application of the paragraph of Article 8 of the Covenant relating to the exchange of military information between States Members of the League.

Approved in Committee, September 14.

X. The Assembly expresses its satisfaction at the work accomplished at Washington in connection with the reduction of naval armaments.

Approved in Committee, September 21.

XI. (a) The Assembly welcomes with interest the Chilean Government's initiative in submitting the question of disarmament to the Pan-American Conference which is to meet at Santiago in March, 1923.

The Assembly expresses the hope that the Conference may arrive at practical solutions capable of being fitted into the more general scheme of disarmament which is being considered by the League of Nations.

Approved in Committee, September 21.

(b) The Assembly recommends to the Council that the expert services of the League of Nations should eventually be authorized to co-operate in the work of the Pan-American Conference of Santiago.

Section b was added to this resolution on motion of M. de Palacios (Spain) by vote of the Assembly itself, on September 27.

XII. The Assembly recommends:

(a) That an International Conference should be summoned by the Council as soon as possible, to which all States, whether Members of the League or not, should be invited, with a view to considering the extension to all non-signatory States of the principles of the Washington Treaty for the limitation of naval armaments, it being understood that any special

cases, including those of the new States, shall be given due consideration at the Conference;

(b) That the report of the Temporary Mixed Commission, together with the report and the draft Convention prepared by the Permanent Advisory Commission, as well as the text of the Washington Treaty, should be forwarded immediately to various Governments for consideration.

This was originally Lord Robert Cecil's resolution definitely recommending that the principles of the Washington Naval Treaty should be extended to all States. Brazil and Poland objected to that, and the present form of the first paragraph is due to Mr. H. A. L. Fisher (Great Britain). Approved in Committee, September 16. Brazil abstained from voting, and her delegate, M. de Oliveira, said that his Government did not approve of the Washington agreement. On the 27th, when the Assembly adopted the whole report, M. de Oliveira said that his Government was now ready to accept in principle the proposed Conference, with the understanding that its conclusions would not depart from the letter and spirit of Article VIII of the Covenant.

The Commission's report went so far as to suggest a plan of reduction, which tentatively allots Argentina 81,000 tons, Brazil 45,000, Chile 35,000, Denmark 13,000, Greece 36,000, Holland 26,000, Norway 16,000, Spain 81,000, and Sweden 62,000. There are no other naval powers worth considering.

These figures are based on the status quo, subject to reservations as to Spain and Brazil, Spain desiring a tonnage equaling Italy's and Brazil wishing to equal Argentina's.

The unit used at Washington for the five Powers (capital ship of 35,000 tons) could not be used for these smaller fleets.

XIII. The Assembly, having examined the report of the Temporary Mixed Commission on the general principles of land and air disarmament, instructs the Commission to continue its investigations on the basis of these principles, with a view to preparing for the consideration of the next Assembly a definite scheme for the general reduction of land and air armaments.

Lord Robert Cecil's resolution, the first one approved in Committee, September 14.

XIV. (a) The Assembly, having considered the report of the Temporary Mixed Commission on the question of a general Treaty of Mutual Guarantee, being of opinion that this report can in no way affect the complete validity of all the

Treaties of Peace or other agreements which are known to exist between States: and, considering that, this report contains valuable suggestions as to the methods by which a Treaty of Mutual Guarantee could be made effective, is of the opinion that:

1. No scheme for the reduction of armaments, within the meaning of Article 8 of the Covenant, can be fully successful unless it is general.

2. In the present state of the world many Governments would be unable to accept the responsibility for a serious reduction of armaments unless they received in exchange a satisfactory guarantee of the safety of their country.

3. Such a guarantee can be found in a defensive agreement which should be open to all countries, binding them to provide immediate and effective assistance in accordance with a prearranged plan in the event of one of them being attacked, provided that the obligation to render assistance to a country attacked shall be limited in principle to those countries situated in the same part of the globe. In cases, however, where, for historical, geographical or other reasons, a country is in special danger of attack, detailed arrangements should be made for its defence in accordance with the above-mentioned plan.

4. As a general reduction of armaments is the object of the three preceding statements, and the Treaty of Mutual Guarantee the means of achieving that object, previous consent to this reduction is therefore the first condition for the Treaty.

This reduction could be carried out either by means of a general Treaty, which is the most desirable plan, or by means of partial treaties designed to be extended and open to all countries.

In the former case, the Treaty will carry with it a general reduction of armaments. In the latter case, the reduction should be proportionate to the guarantees afforded by the Treaty.

The Council of the League, after having taken the advice of the Temporary Mixed Commission, which will examine how each of these two systems could be carried out, should further formulate and submit to the Governments, for their consideration and sovereign decision, the plan of the machinery, both political and military, necessary to bring them clearly into effect.

(b) The Assembly requests the Council to submit to the



various Governments the above proposals for their observation and requests the Temporary Mixed Commission to continue its investigations, and, in order to give precision to the above statements, to prepare a draft Treaty embodying the principles contained therein.

The discussion over this resolution was prolonged. Lord Robert Cecil held that a reduction of armaments should precede a treaty of guarantee. M. de Jouvenel was sure that a treaty of guarantee must precede any reduction. The text, as it stands, represents the work of these two men and of Count Tosti di Valminuta (Italy), and Mr. H. A. L. Fisher. Approved in Committee, September 19.

The Temporary Mixed Commission, in its report, pointed out that such a treaty of guarantee must show how:

First, when an outbreak of war has occurred, to determine, with the briefest possible delay, which State is the aggressor.

Second, to devise the means by which mutual military aid can be brought without delay, which might be fatal to the State attacked.

The Commission proposed that the Council of the League should decide, if necessary, by a three-quarters majority, which State is the aggressor, and should be obliged to do so within four days.

As a test, the Commission suggested that that State is the aggressor which has deliberately violated the territory of another, and that the Council might send an expert Commission to the spot to determine the facts. The Third Committee of the Assembly approved these suggestions. It agreed that such a Treaty of Mutual Guarantee would be ineffective unless ratified by a great number of States, including "nearly all, if not all, the greater military powers." A plan for such a treaty except on these conditions, "might result in a re-creation of the pre-war system of group alliances." The Third Committee agreed that a Treaty of Guarantee and Reduction of Armaments are two essential parts of one policy, and that the Commission should be asked to find out how the two measures can come into force together.

The important regional feature of Lord Robert's original draft-treaty is alluded to only in paragraph 3 of No. XIV. Regional responsibility would inevitably mean a re-grouping of States according to the territorial boundaries within which they had given guarantees of mutual security. The probable result would be, roughly speaking, a group or League for each continent of the Old World, and the recognition of the Pan-American Union as the guaranteeing group for both the Americas, if that body would consent to classify itself with the similar international organizations. The Pan-American Union is

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undeniably the oldest existing League of Nations, having been created under the auspices of the United States as far back as 1891. Such a plan of continental groups would appear to eliminate all objections to the League principle which were derived from the fear that the United States might be morally obligated to interfere in the quarrels of Europe, Asia and Africa. It would materially change Article X of the Covenant or render it unnecessary. It would result in the amendment of Article XVI, and in the considerable expansion of Article XXI ("regional understandings like the Monroe Doctrine"). It would definitely establish a principle of the Monroe Doctrine as the basis of each regional League.

Although the text of Lord Robert Cecil's draft treaty, submitted to the Mixed Commission in July, does not appear in this official record of the Assembly, it was discussed in the Third Committee on September 12 and subsequently. It was then evident that Great Britain and France were favorable to it under the conditions described in XIV, 4, 6.

#### XV. The Assembly of the League of Nations,

Whilst declaring that the reduction of armaments contemplated by Article 8 of the Covenant cannot achieve its full effect for world-peace unless it be general:

Desires to emphasize the importance of regional agreements for the purpose of reducing armaments—agreements which, if necessary, might even go beyond the measures decided upon in respect of general reduction;

And requests the Council to ask the Temporary Mixed Commission to take into consideration during its subsequent work, the possibility of recommending the conclusion of similar agreements to States which might be concerned.

This resolution was proposed in Committee by Dr. Christian Lange (Norway), immediately after the approval of No. XIV. It is an extension of the idea of regional agreements, doubtless with the Scandinavian countries in view. Approved in Committee, September 19.

#### XVI. The Assembly,

Considering that moral disarmament is an essential preliminary condition of material disarmament, and that this moral disarmament can only be achieved in an atmosphere of mutual confidence and security;

Declares:

That such confidence cannot be attained so long as the world continues to suffer from disorganization of the exchanges, economic chaos and unemployment, and that the

only method of remedying these evils is to put an end to the uncertainty which prevails regarding the means for the restoration of the devastated regions and the settlement of the inter-Allied debts;

Expresses the hope that, in so far as these questions can be regulated by the unaided efforts of the European nations, the Governments signatories of the international treaties and agreements which deal with these questions, and within the framework of which they must be envisaged, will achieve as soon as possible a general settlement of the problem of reparations and inter-Allied debts.

It further recommends: .

That the Council shall devote constant attention to every effort made in this direction by the Governments concerned, it being understood that it can only usefully assist in the solution of these problems if requested to do so by the Governments in question.

Resolution No. XVI was proposed by M. de Jouvenel. Herein for the first time the French Government permitted itself to suggest the submission of the reparations problem to a new conference, and in that connection to link together reparations, allied debts, and reduction of armaments. Approved in Committee, September 21.

Summaries of important speeches in the Committee concerning resolution No. XVI, extracts from M. de Jouvenel's speech in the Assembly concerning the treaty of mutual guarantee, and the entire speech of Lord Robert Cecil when he offered these resolutions in the Assembly may be found in a pamphlet published by the New York Peace Society in December, 1922. To the debate in the Assembly the representatives of sixteen States contributed. The Assembly gave final approval to the sixteen resolutions on the 27th.

*SEPTEMBER 27. RUSSIAN REFUGEES*--The Fifth Committee offered its report on the work of Dr. Nansen's Relief Organization, showing what has been done to insure

- (a) The maintenance of necessitous refugees;
- (b) The evacuation of Russian refugees in Constantinople and their distribution in countries offering them the means of obtaining a livelihood; and
- (c) A legal status for Russian refugees by a system of identity certificates.

A chapter of the report dealing with the proposed repatriation of Russian refugees gave rise to a protracted

debate. This question was first raised in a memorandum of the Czechoslovak Government suggesting that the problem of the economic reconstruction of Russia might be solved by the repatriation of a certain number of Russian refugees.

Dr. Nansen had said that he hoped to conclude an agreement on the basis of an amnesty proclaimed by the Soviet Government. Mr. Ador (Switzerland) questioned whether any Russian refugees could safely make their homes again in Russia, and said that no agreement should be made with Soviet Russia without the previous approval of the League. This discussion was continued on the following morning, September 28, when Dr. Nansen denied that any Russian refugee would be sent to Russia except with his own consent. Certain Russian refugee organizations had expressed themselves in favor of repatriation. In response to this desire, and upon suggestions already made by the Hoover Organization for Relief Work and the American Red Cross, it was proposed to repatriate some 20,000 refugees within the next few months to parts of Russia where local conditions were favorable, such as the Don, Kuban and Terek regions.

It was not proposed to send these refugees back to Russia without guarantees. First, there would be a signed declaration from every refugee returning that he did so of his own free will. Secondly, there would be a renewed guarantee from the Soviet Government, in addition to the general amnesty already published. Thirdly, there would be a representative of the Relief Organization in Russia supervising the arrival of the refugees and ascertaining that they were well treated. Fourthly, a small deputation would return from Russia and report to their compatriots concerning their reception and the conditions prevailing at home.

It was essential to evacuate as many refugees as possible from Constantinople and the Balkans. Twice in the last twelve months the refugees had been faced with absolute famine in these regions, and the position was becoming continually more difficult.

If no steps were taken to repatriate refugees, they would return on their own initiative. Refugees had already returned from Constantinople, Greece and Bulgaria, without the consent of the Russian authorities, without papers and without guarantees.

The Assembly adopted the following resolutions:

The Assembly, having heard the report of the High Com-

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missioner of the League of Nations for Russian refugees on the work which he has accomplished the past year,

Approves this report,

And wishes to express its entire satisfaction with the way in which the High Commissioner has discharged the duties entrusted to him, and to record its high appreciation of the services he has rendered to the refugees and to the League.

As the work is not yet finished, the Assembly invites the High Commissioner to continue to apply the same methods of work as hitherto.

It further decides:

1. To invite the Council to request the Governments of the Members of the League to continue to lend to the High Commissioner the support and assistance which they have hitherto given him, especially as regards the development of the means of general and professional education and the securing of employment for the refugees;

2. To invite the Council to draw the attention of the Governments of the Members of the League to the importance of the system of identity certificates adopted at the Conference on the subject held at Geneva in July, 1922, and to request those Governments which have not yet given a favorable reply to consider whether they cannot, without delay, bring this system into force;

3. To request the Council to provide by international co-operation for the maintenance of the Russian refugees who are incapable of providing for their own livelihood in the States where they are congregated.

*SEPTEMBER 28. COMMUNICATIONS AND TRANSIT*--Mr. Adatci (Japan) presented the report of the Second Committee on the year's work of the Commission on Communications and Transit, with the following resolutions, which were approved and adopted:

1. The Assembly, after taking cognizance of the first and second reports of the Advisory and Technical Committee for Communications and Transit on the work of the organization for Communications and Transit between the Second and Third Assemblies,

Notes with satisfaction:

- (a) The progress achieved in giving practical effect to the recommendations adopted by the Conference on Passports,

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Customs Formalities and Through Tickets, held at Paris in October, 1920, and also to the Conventions and recommendations adopted at the Barcelona Conference:

(b) The efforts made by the Organization for Communications and Transit to facilitate the ratifications of the Barcelona Conventions or the adhesions to those Conventions;

(c) The investigations undertaken for the purpose of drawing up the Convention on the International Regime of Railways, as well as a General Convention on the International Regime of Ports and for the purpose of applying in the domain of transport the principle of equitable treatment for commerce;

(d) The measures taken with a view to carrying out the resolutions of the Genoa Conference, transmitted to the Organization for Communications and Transit by the Council of the League with the object of developing the restoration of the actual means of transport in Europe; and

Invites the Organization for Communications and Transit, which will hold a second General Conference at Geneva during the year 1923, in accordance with the recommendation of the General Conference of Barcelona, approved by the Council of the League at its meeting of June 18th, 1921, to continue, on the lines at present adopted, to carry out the duties with which it has been entrusted. The Assembly believes that the investigations now undertaken will be prosecuted with sufficient energy to ensure that all those which appear likely to give rise to an international agreement may form the subject of definite proposals to be submitted without delay to the second General Conference.

II. The Assembly recommends the Organization for Communications and Transit of the League to transmit to the various Governments concerned, at least three months before the meeting of the Conference which shall be held during 1923, the draft Conventions or recommendations which it has drawn up.

III. The Assembly takes note with satisfaction of the imminent meeting in Paris of the Conference of Railway Administrations, convened by the French railway administrations in conformity with the decisions of the Genoa Conference, and draws the attention of the Council to the fact that it is desirable that measures should be taken for the representation of the Communications and Transit Organization of the League at the Conference in question, which organi-

zation has been entrusted, in virtue of the decisions referred to above (which have been accepted by the Council and the Assembly), with the task of examining the progress achieved in carrying them out.

M. Adatci said that the Organization for Communications and Transit had authority to communicate its recommendations and opinions directly to the Governments. The organization had its own responsibility and enjoyed a special autonomy.

The League of Nations might congratulate itself on the results obtained. The Convention on Freedom of Transit, and the General Convention on the Regime for Navigable Waterways of International Concern had been ratified and would be put into force. The Conference of Genoa, moreover, had given its approval to the work of the Advisory Committee.

*SEPTEMBER 28 OBSCENE PUBLICATIONS*—Prof. Gilbert Murray (South Africa) presented the report of the Fifth Committee, which contained the following resolutions:

The Assembly decides:

1. To ask the Council of the League, in accordance with Article 24 of the Covenant, to authorize the Secretariat to assist Members of the League and any other States which are parties to the international movement for the suppression of obscene publications, in all measures which may be necessary for this purpose:

2. To ask the Council of the League to draw the attention of all States to the International Agreement of 1910; those States which have signed or acceded to it should be asked to give full effect to its provisions, and those States which are not yet parties to it should be urged to accede to it at an early date;

3. To invite the Council to communicate the draft Convention of 1910 with a questionnaire to every State with the request that it should forward its comments thereon to the Secretariat of the League of Nations. The Secretariat will co-ordinate the replies received and submit them as a whole to the French Government, requesting it, on behalf of the Council, in view of the initiative taken by that Government in 1910, to convene a new conference under the auspices of the League, to be held at Geneva about the time of the Fourth Assembly and to be composed of plenipotentiaries empowered to draw up the text of a new convention and to sign such a convention.

He said that a draft convention prepared by the French Government in 1910 had been signed by various Powers. The nations were now asked to adhere to this convention, and France was invited to continue her action under the auspices of the League of Nations.

The Committee thought that the proposed conference might arrive at an international definition of "obscene." The resolutions were unanimously approved.

**SEPTEMBER 28. ECONOMIC AND FINANCIAL COMMISSION**—The work of this Commission was reviewed in a report of the Second Committee, with the following resolutions, which the Assembly approved:

I. The Assembly has noted with satisfaction the services which the Financial Committee has rendered to the Council in its several tasks, notably in regard to the finances of Danzig, the technical aid to be given to Albania, and the restoration of the financial condition of Austria. It highly appreciates the activities of the Committee, and it hopes that the Committee will consider practical proposals on all specific subjects which, in present conditions, might be ripe for solution by collaboration between States, and that the Committee will pursue its inquiries on practical lines, so as to arrive at positive results. It hopes that the study of the various questions connected with the stabilization of currencies, and in particular that of the foreign trade balance and balance of payment of various States, which is an essential element of the problem, will be actively pressed forward so as to lead to the publication of reports which will throw light on this question, which is one of urgent importance.

II. The Assembly has again had its attention drawn to the persistent gravity of the financial dislocation and its increasingly serious effects upon the commercial and industrial structure of the whole world. It reiterates its belief that an essential part of the remedy for these evils is the application of the rules of finance laid down in the resolutions adopted at the Brussels Financial Conference and recently indorsed at the Genoa Conference. It invites the Financial Committee to renew the inquiries which it undertook last year on the progress made in the application of these resolutions by various Governments. It also invites the Committee to investigate, with a view to effective results, and in collaboration, formal or informal, with the Governments concerned, all practical proposals which may be made for the completest possible



application of the principle of sound finance which these resolutions embody.

III. The Assembly, appreciating the advantages which may accrue for the finances of various countries from the disinterested assistance of an international body of impartial experts, invites the Financial Committee to hold itself at the disposal of the Governments of the States Members of the League and to render them the assistance in its power for such questions and in such forms as may be found most appropriate.

IV. (a) The Assembly notes with satisfaction the thorough inquiry which the Economic Committee has made into the questions concerning the equitable treatment of commerce and the progress achieved in regard to certain aspects of the problem.

(b) It looks forward to a modification of the existing international conventions on unfair competition in consequence of the Committee's proposals and approves the procedure adopted by the Council with a view to securing this end.

(c) It approves the proposal to convene a Conference of experts of customs formalities. It trusts that all possible measures will be taken not only to promote the success of the Conference, but also to follow up its conclusions in such a way as to secure practical action by the Governments with the least possible delay.

(d) The Assembly notes the further work undertaken in connection with the problem of the equitable treatment of commerce. It counts upon valuable recommendations being submitted at an early date in regard to the treatment of foreign persons and firms.

(e) It hopes, however, that the investigation thus successfully begun will be extended and continued without interruption in order that the principle of equitable treatment of commerce may be given the earliest and most general application possible.

V. The Assembly has noted the progress made and the results achieved by the Economic Committee in the other tasks which it had undertaken partly as a consequence of the resolutions of the Genoa Conference (dumping, statistical methods, etc.), and partly as regards other matters (bills of exchange). It is anxious that the attention of the States

Members of the League should be drawn in a special manner to the recommendations in regard to commercial arbitration (la clause compromissoire) and the stabilization of customs tariffs.

VI. The Assembly, having taken note of the decisions of the General Labor Conference of 1921, calling for an inquiry into the national and international aspects of the unemployment crisis and the means of combating it, and requesting the International Labor Office to call into co-operation the Economic and Financial Section of the League of Nations for the solution of the financial and economic questions raised by the inquiry:

Requests the Economic and Financial Organization to arrange the scope and method of such collaboration at an early date and to bring to the inquiry conducted by the International Labor Office any information which it has in its possession.

VII. The Assembly invites the States Members of the League of Nations to assist in the work of the Economic and Financial Committee by furnishing as fully and as speedily as possible the information for which the Committee may ask, notably especially in connection with its various publications and its investigations in regard to the equitable treatment of commerce.

VIII. The Assembly notes that the Council proposes to maintain for the present the Economic and Financial Organization under its existing provisional form in order to pursue the work which it has already undertaken subject to such changes in the composition of the two Committees as the Council may decide.

*DEPORTATION OF WOMEN AND CHILDREN*--Mr. W. S. Fielding (Canada) presented a report from the Fifth Committee, based on the report of Dr. Kennedy, chairman of the Commission of Enquiry. Dr. Peet having declined the office of High Commissioner of the League on this subject, "by the authority of the Council, the Commission of Enquiry themselves were charged with the duties which it was intended that the High Commissioner should carry out. Dr. Kennedy and his colleagues accepted this mandate, and they have established an office and a staff, taken over Neutral House, secured the support of the Allied police and other authorities, and have proceeded to the active work of reclamation.

I said above that, in carrying out their duties, the Commission have acted in a spirit of complete impartiality with regard to all races and religions. To Neutral House, for which they are responsible, people of every nationality have access. The religious authorities of the Greek, Armenian and Moslem communities are invited to make contributions and to give advice on the administration of the institutions. Further, so far as the office is concerned—here I quote from Dr. Kennedy's speech to the Fifth Committee—"intimate access to the work of the Commission is provided for by duly appointed delegates of Turkish, Armenian and Greek nationality." And a still more striking illustration is given by the form of request which the League of Nations officers use in asking for police assistance in the recovery of women and children. They have drawn up a new form to replace that which the Allied authorities had previously been using. But in this new form, in the words of Dr. Kennedy, "No mention is now made of the religion or race of the parties concerned, and these new forms can be used for the recovery of Moslem women or children who may happen to be illegally detained in Christian houses or institutions." \* \* \*

"It is necessary to draw the attention of the Assembly very specially to the work which has been carried out by Miss Jeppe at Aleppo. Working alone, far from the other members of the Commission, with a very small subvention from the funds of the League of Nations, Miss Jeppe has carried out a considerable work. With assistance which she has received from charitable sources, she has established a home and has returned a very considerable number of boys and girls to their homes. She has made many inquiries, and has plans to extend the area over which she can work further from her base. She estimates that within the area she will thus be able to reach there are at least 30,000 Armenian women and children whom she can recover from the houses in which they are detained. To this end, however, it is essential that she should have more assistance from the League, and the Fifth Committee therefore strongly urge upon the Assembly that an addition of £1,500 should be made to the budget of the Commission of Enquiry, in order that this sum may be devoted to assisting Miss Jeppe in her work."

The Assembly voted to approve the report, to continue the work, and to appropriate £1,500 for the maintenance of Miss Jeppe's work in Aleppo. It also adopted this resolution:

"The Assembly requests the Council to urge the Governments responsible for any territories either under mandate or under Allied control, where members of the Commission for the Reclamation of Women and Children are working, to instruct their officials in these territories to give strong support and assistance to the Commission and its Members."

*SEPTEMBER 28. COMMISSION ON INTELLECTUAL CO-OPERATION*—The Second Committee offered a report on the work of this Commission. Early in August this Commission had held its first session and defined its program in accordance with the instructions of the Second Assembly. During the ensuing year it proposes to study the feasibility of its schemes. The program of the Commission, approved by the Second Committee, was approved also by the Assembly.

Prof. Gilbert Murray regretted that the Budget Committee (Fourth) had voted to cut down the allowance of this Commission from 180,000 francs to 50,000 francs, but he admitted that the war had made intellectual co-operation difficult. It was scarcely worth while to convene a conference of universities from which all German universities would be excluded. The Commission proposes to institute an inquiry into the state of intellectual work, the evils from which intellectual life is suffering, and the remedies which may be brought to bear upon them. Tables are to be drawn up showing the material situation of intellectual workers by means of charts displaying, for example, the material situation of a university professor, of an artist, of a man of letters. For this purpose the Commission will appeal, through the Governments, to organizations and associations such as the Confederations of Intellectual Workers already formed in several countries. In France such a Confederation has 200,000 members.

The Council has already approved reports on the present situation of intellectual work and workers in Austria and Poland, transmitted to it by M. de Reynald and Madame Curie for these two countries respectively.

The Commission has also decided to investigate a scheme for an international fund for the granting of loans and credits in order to facilitate scientific research-work.

Three sub-committees are to be appointed to investigate, respectively, questions of Bibliography, of Inter-University Co-operation, and of intellectual Proprietary Rights.

The report, as adopted, contains also these resolutions:

1. The Assembly decides to send an appeal to all countries which have not yet accepted the Conventions relating to the International Exchange of Publications, signed at Brussels on March 15, 1886, asking them to give their adheslon thereto.

2. The Assembly has noted with much interest the detailed investigations carried out by the Committee on Intellectual Co-operation regarding the conditions of intellectual life in countries where its continuance is especially endangered. The Assembly invites the Council to follow up this important question within the limits proposed by the Committee.

3. The Assembly invites the Council to stimulate an intellectual co-operation based upon international solidarity, in order to procure scientific books and documents for the universities and schools of those countries which, as a result of war, have been deprived of them and which have not sufficient resources to acquire them.

*SEPTEMBER 29. SALVADOR'S CONTRIBUTION TO LEAGUE EXPENSES*—A sub-committee of the First Committee reported unfavorably upon Salvador's claim to be excused from contributing to the support of the International Labor Organization. The Assembly voted that this report be sent without discussion to the Council, together with the minutes of the discussion in Committee, "in order that the Council may take such action in the matter as it considers appropriate."

*AMENDMENTS TO RULES OF PROCEDURE*—On recommendation of the First Committee the Assembly negatived the proposal to convene the Assembly in the latter part of September, for the reason that such a change would be most inconvenient for delegates engaged in parliamentary and university work.

The Assembly voted to revise No. 14 of its Rules of Procedure to the effect that the Assembly shall not, unless a two-thirds majority orders otherwise, decide items on its agenda until a committee report upon them has been circulated; also that recommendations for expenditure must indicate whether they are to be part of general expenses or of particular assessments; also that recommendations from any committee other than the Finance Committee involving expenditures must be accompanied by estimates, which must be sub-

mitted to the Fourth Committee before they are brought before the Assembly.

Regulations for the financial administration of the League were also amended to conform with this revised article.

*UNPAID CONTRIBUTIONS*—The Assembly approved the principles and proposals of the Fourth Committee concerning arrears of payment prior to January 1, 1922, but the official journal and the minutes of the Assembly failed to disclose what these proposals were.

*RULES FOR ELECTION OF NON-PERMANENT MEMBERS OF THE COUNCIL*—The formulation of these rules caused a legal argument in the First Committee because of doubt whether the Covenant, as it stands, permits the Assembly to regulate the period of office and the re-eligibility of the non-permanent members of the Council.

The amendment to the Covenant adopted by the Second Assembly, empowering the Assembly to enact such regulations by a two-thirds majority, has not yet been ratified by enough States to make it valid, so the Third Assembly adopted rules for the pending election and recommended rules for the consideration of the Fourth Assembly, as follows:

1. The Assembly adopts for the election of the non-permanent members of the Council, the following rules of procedure:

The members whose representatives are to sit on the Council as non-permanent members of that body shall be selected by the Assembly by secret ballot.

Where several seats are to be filled, the election shall be made by voting a list of names. Any ballot paper containing more names than there are seats to be filled shall be null and void.

No member shall be elected at the first or at the second ballot unless it has obtained at least the absolute majority of the votes. If, after two ballots, there still remain seats to be filled, a third ballot shall be held upon a list consisting of the candidates which obtained most votes at the second ballot, up to a number double that of the seats still to be filled, and those members shall be elected that obtain the greatest number of votes.

If two or more members obtain the same number of votes and there is not a seat available for each, a special ballot shall be held between them; if they again obtain an equal number

of votes, the President shall decide between them by drawing lots.

' 2. Pending the ratification by the States of the amendment to Article 4 of the Covenant voted by the Assembly in 1921, and without prejudice to the right of the Assembly to "select in its discretion," in accordance with the provisions of the Covenant, the non-permanent members of the Council, the Assembly recommends that the Fourth Assembly adopt the following rules:

The non-permanent members of the Council are elected for a period of three years, commencing on the first day of January following the date of their election.

Retiring members are not eligible for re-election until the expiration of a period of three years.

One-third of the non-permanent part of the Council shall be renewed each year.

If one or two of the members now on the Council are re-elected, their mandates shall terminate at the end of the first year.

If more than two members now on the Council are re-elected, lots shall be drawn to determine which one or which two of them shall not retire until the end of the second year.

If necessary, lots will be drawn to determine the order of retirement as between newly elected members, so as to bring up to two the number of members retiring.

If for any reason a seat on the Council filled by any State should become vacant during the first period of three years, the State shall be considered as having retired, with the result that if such vacancy occurs during the first year, lots shall only be drawn for one seat, and if the vacancy occurs during the second year, lots shall again only be drawn for one seat.

If such a vacancy occurs after the expiration of the first period of three years, the Assembly shall fill it at the session following its occurrence, but the member so elected shall only complete the current mandate.

### ***Recommendation.***

It is desirable that the Assembly, in electing the six non-permanent members of the Council, should make its choice with due consideration for the main geographical divisions of the world, the great ethnical groups, the different religious traditions, the various types of civilization and the chief sources of wealth.

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This last recommendation was the outcome of a proposal by China (in committee) and seconded by Persia that the elected members of the Council should include three representatives of Europe, two of the American Hemisphere and one of the other continents.

**AMENDMENTS TO COVENANT**—Earl Balfour and others having spoken of the need for action in ratifying amendments to the Covenant already adopted by the Assembly, M. Scialoja brought forward a recommendation already drafted by the First Committee, as follows:

"The Assembly calls the attention of the delegations to the fact it is of the utmost importance for the authority and the proper working of the League of Nations that the States should ratify at a very early date the amendments to the Covenant voted by the Second Assembly, with the exception of Amendments 2 and 3 to Article 6."

M. Scialoja remarked:

"Experience and in particular the long discussion which took place in the First Committee on the amendments relating to elections have shown us that if Amendments 2 and 3, which were voted last year, were ratified, the Assembly might be faced with an even more difficult situation than it is today.

"On the other hand, the first amendment to Article 6, which we recommend you to ratify immediately, affords much greater freedom to the Assembly. This amendment would invest the Assembly with the power of fixing the rules for the allocation of expenses among the members of the league."

The Assembly adopted the recommendation.

**SEPTEMBER 29. FINANCIAL ADMINISTRATION AND BUDGET OF THE LEAGUE**—The greater part of this Twenty-third Plenary Session was devoted to the reports of the Fourth Committee. Announcement was made that at the time the treasury of the League contained 3,000,000 Swiss francs (about \$600,000), enough to finance the League until January 1, when new contributions are due, with a small deficiency which can be met by a loan.

It was reported that thirty States have paid their assessments regularly, ten have been dilatory in payment and ten others, American countries, have not paid their assessments.

The Assembly, on the recommendation of its Fourth Committee, approved the general budget of the League for the fiscal period 1923, amounting in all to 25,673,508 gold francs,



as against 22,238,335 francs in 1922. Of this budget, 15,593,046 francs is for the General Secretariat, 8,200,462 francs for the International Labor Organization, and 1,880,000 francs for the Permanent Court of International Justice. The unit of contribution now becomes 27,851 francs. Great Britain carries 82 units, so that its contribution for 1923 would be 2,650,000 francs. France, with 78 units, will pay 2,170,000 francs, Japan is third with 73 units, and so on down the list.

The original budget as approved by the Commission of Control at its spring session had amounted to 25,248,190 francs. The Fourth Committee, however, voted a total reduction in this estimate of 318,682 francs, while, on the other hand, various Assembly decisions made it necessary to add supplementary credits to an amount of 744,000 francs.

The increases in expenditure and the calculation of a budget of expenditures without knowing the assured revenues caused much serious discussion. Several members advocated fixing the amount of the unit of contribution for either three or five years. The problem is much complicated by the fact of arrears in contribution. Sir James Allen (New Zealand) said that the total of arrears at the time amounted to 14,764,000 francs. The delegate from Panama feared that the time would come when his State could not afford to stay in the League.

A hot debate took place over the proposal of a French delegate to increase the allowance for the Commission on Intellectual Co-operation by 50,000 francs. The ordinary budget item for that purpose was 75,000 francs; the Committee report approved by the Assembly had given it 50,000 francs more, so that now the question was whether that Commission should have a total of 125,000 francs or 175,000 francs. The French motion was finally carried by twenty-five States against twelve, abstaining nine.

The twelve were Great Britain and all its Dominions except India, which was in the other column, and China, Denmark, Estonia, Netherlands, Norway, Panama and Siam. Later a Swedish delegate questioned the validity of this vote because it was not unanimous; it was voted to ask the Council for an opinion on disputed budgetary motions in the Assembly, whether a unanimous decision is necessary or not.

The Assembly authorized the Council to accept the Swiss offer of land sites in Geneva for buildings for the Labor office and for the meetings of the Assembly, and directed that the thanks of the Assembly be conveyed to the Federal Govern-

ment and to the Cantonal and Municipal authorities of Geneva.

A plea for a pension scheme having been received by the Fourth Committee too late for consideration, the Assembly voted to send it to the Commission of Control and to ask the Council for a final report on it before the beginning of the Fourth Assembly. Meanwhile Dr. Pardo, an officer in the Labor Office, having died while on a mission to Russia, leaving a young child unprovided for, the Assembly voted to accept the decision of the Governing Body of the Labor Office that a sum equivalent to one-fourth of Dr. Pardo's salary should be devoted to the maintenance and education of his son. The Assembly appropriated 7,500 francs for this.

The great desire to limit expenditures is manifested in these resolutions approved at the same time by the Assembly:

The Assembly, considering that the present financial position of all countries renders the strictest economy necessary on the part of the League of Nations, especially in so far as new work involving the League in new expenditure is concerned, even if this work was contemplated by conventions or resolutions ante-dating the present session of the Assembly;

Requests the Council of the League and the Governing Body of the International Labor Office to see that work of this nature should be undertaken between the Third and Fourth Assemblies only in cases of extreme urgency.

The Assembly also requests the Council of the League and the Governing Body of the International Labor Office to submit to the Fourth Assembly a statement of new work, involving new expenditure on the part of the League, undertaken in accordance with the conditions mentioned in the first paragraph.

With regard to the decision of the Council dated July 21, 1922, the Assembly desires to express its full approval of the principle that expenditure incurred for special investigations in the particular interests of one or more members of the League shall be met by that or those members of the League.

The Assembly again recommended that, for reasons of economy, the Council should always meet at Geneva, unless impelled to go elsewhere by "absolutely exceptional circumstances."

**SEPTEMBER 29. AMENDMENTS TO RULES OF PROCEDURE**—The Assembly voted that its agenda drawn up by the Secretary-General with the approval of the President of the Council shall be circulated, if possible, four months before

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the opening of the session, and shall include reports on the work of the Council, of the Secretariat and on measures taken to execute decisions of the Assembly.

The Assembly also voted that the election of Vice Presidents, instead of taking place at a fixed time in the opening sessions of the Assembly, shall occur "at one of the early meetings of the session."

**SEPTEMBER 30. PAN-AMERICAN CONGRESS**—The Assembly voted to ask the member States in the Pan-American Congress to speak there of the work of the Technical Organization of the League and to suggest co-operation between those organizations and the Congress; the Assembly also voted to ask the Council to authorize such co-operation.

**ALLOCATION OF EXPENSES**—The Assembly approved the provisional plan of allocating expenses for 1923 presented by the First Committee and elaborated in the first instance by the Commission of Control. It asked the Council that the Commission on Allocation of Expenses should continue its efforts to prepare a definitive scale of contribution. It asked the Council to notify member States that they should ratify at once Amendment No. 1 to Article 6, but that ratification of Nos. 2 and 3 are no longer necessary.

The Cuban delegate abstained from voting because his Government had instructed him to accept this year no increase in Cuba's contribution.

The allocation of expenses for 1923 is shown in the following table:

States.	Units.	States.	Units
Albania .....	1	Esthonia .....	5—2= 3
*Argentina .....	(35)	Finland .....	10
Australia .....	26	France .....	95—17=78
Austria .....	1	Greece .....	10
Belgium .....	20—5=15	Guatemala .....	1
Bolivia .....	5	Haiti .....	2
Brazil .....	35	Honduras .....	1
British Empire.....	95	Hungary .....	4
Bulgaria .....	7	India .....	65
Canada .....	35	Italy .....	73—12=61
Chile .....	15	Japan .....	73
China .....	65	Latvia .....	5—2= 3
Colombia .....	7	Liberia .....	1
Costa Rica.....	1	Lithuania .....	5—1= 4
Cuba .....	9	Luxemburg .....	1
Czecho-Slovakia .....	35		
Denmark .....	12	Carried forward.....	538

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Brought forward.....	538	Salvador .....	1
Netherlands .....	20	Serb - Croat - Slovene	
New Zealand.....	10	State .....	35—9=26
Nicaragua .....	1	Siam .....	10
Norway .....	11	South Africa.....	15
Panama .....	1	Spain .....	40
Paraguay .....	1	Sweden .....	18
Persia .....	10—4= 6	Switzerland .....	15
Peru .....	10	Uruguay .....	7
Poland .....	25	Venezuela .....	5
Portugal .....	10		
Roumania .....	40—9=31	Total .....	994

\*Subject to any observations which may be made by the Argentine Government. No corresponding provision will be made in the accounts.

*ELECTION OF NON-PERMANENT MEMBERS OF THE COUNCIL.* The assembly took a secret ballot with the following result. The first six States in this list were declared elected:

	Votes.		Votes.
Brazil .....	42	Switzerland .....	3
Spain .....	40	India .....	2
Uruguay .....	40	Norway .....	2
Belgium .....	40	Denmark .....	1
Sweden .....	35	Czecho-Slovakia .....	1
China .....	27	Haiti .....	1
Serb-Croat-Slovene State.	15	Chile .....	1
Portugal .....	12	Siam .....	1
Persia .....	9	Netherlands .....	1
Colombia .....	5	Roumania .....	1
		Austria .....	1

September 30. *REHABILITATION OF AUSTRIA.* At the twenty-fifth and final plenary meeting of the Assembly on Saturday afternoon, September 30, Lord Balfour, on behalf of the Council, described what had been done in the twenty-first session of that body for the reconstruction of Austria. He was followed by the delegate from Austria, but the plan which these gentlemen explained and commended will be considered in the summary of the deeds of the Council.

Lord Robert Cecil asked whether, if the plan should fail, there would be published a full statement of all the negotiations, and Lord Balfour assured him that there would.

The session closed with a valedictory address by President Edwards, in which he said that every country which wished to join the League is now a member of it, and that only two of the former enemies of the Allies (Germany and Turkey) are now outside of the League. He regarded these

facts as the virtual triumph of the doctrine proclaimed by the Argentine Republic at the First Assembly, "the doctrine of the universality of the League."

He did not, of course, recognize the fact that Germany would probably ask to join, if it were not for the conditions imposed by France.

He also said that the League would joyfully welcome Mexico whenever it would apply and described the enlargement of the Council as "a big step towards the democratization of the charter of the League and the strengthening of its authority."

## CHAPTER X.

### NEAR EASTERN NEGOTIATIONS—FOURTH INTERNATIONAL LABOR CONFERENCE—AMERICAN AFFAIRS.

#### *Reconstruction of Devastated France.*

On September 5 it was announced that the Wiesbaden agreement for rebuilding northeastern France, made by Rathenau and Loucheur, which had been much delayed for a year by disputes about details, had taken a new phase in an agreement between Senator de Lubersac representing 130,000 members of co-operative societies in the ravaged district, and Herr Stinnes. The latter magnate and his associates undertook to send made-up building materials across the Rhine to be credited to the German reparations account, but at a net profit to themselves of 6 per cent. Hereby private business interests undertook to manage an exchange, which Governments had found too difficult to accomplish speedily.

Curiously enough, the first completed transaction under the Wiesbaden compact occurred on the 6th, when the French Ministry of Liberated Regions credited the German Government with a payment against the value of building materials supplied by a German firm (Cf. Second Year Book, pp. 202, 203).

#### *Soviet Russia and the Russo-Asiatic Company.*

On September 10 in Berlin, Leonid Krassin for Russia and Leslie Urquhart for the English Russo-Asiatic Company, signed an agreement whereby Siberian mining lands, valued at \$250,000,000, owned by the company, partly outright and partly on seventy-five-year leases, were to be restored to the company on a ninety-nine-year lease. Soviet Russia is to compensate the company for damages, said to amount to \$56,000,000, but will get a royalty of 6 per cent. on the gross production of the mines. This agreement was subject to review by the Russian Executive Committee of the Soviet Republic.

The New York Times for September 12 carried the following statement about this agreement:

"Opinion in London business circles is that the Urquhart agreement constitutes a breach in the barrier which existed between the Soviet Government and the outside world and that a resumption of general trade with Russia may speedily follow. The Russo-Asiatic affair has all along been regarded

as a test case. Other British-controlled companies with mining and oil concessions in Russia have been awaiting the result of the Urquhart negotiations, and, provided the agreement is ratified by Moscow, other agreements on a similar model may be expected.

"The properties of the Russo-Asiatic Consolidated, Limited, constitute one of the largest mining enterprises in the world. On their confiscation by the Soviet Government in 1918 Mr. Urquhart, on behalf of the company, made a claim through the Foreign Office against the Soviet Government for £30,000,000. The area covered by the company's titles is 2,500,000 acres. Mines in 1918 were equipped, Mr Urquhart estimates, to produce an annual profit of £3,000,000 with a life of twenty years on the claims in existence.

"In the Russo-Asiatic, Limited, there are some 14,000 shareholders. The estates they own were acquired from Russian owners with British gold from ten to sixteen years ago. At that time they were in a bankrupt condition. Some £10,000,000 of British money was spent and very soon the properties were yielding at the rate of 1,000,000 tons of coal and coke yearly and 43,000 tons of copper, lead and zinc. The refineries produced £1,000,000 of gold bullion in one year.

"In the region of the various properties houses, baths, schools, churches, hospitals, etc., were erected for the needs of some 45,000 workmen and their families, approximately 250,000 persons. Other assets of the company are iron mines, blast furnaces and steel works of 21,000 tons yearly capacity of finished products, cyanide and gold mills of 70,000 tons gold ore yearly capacity, bullion refineries, dynamite and sulphuric acid plants, twenty saw mills, 2,500 miles of railways and a river fleet."

Krassin found strong opposition to this agreement in the Executive Committee. The opposition was chiefly political, since it was feared by many that the agreement would be interpreted as a surrender of Communism to Capitalism.

Krassin urged that if this compact were rejected he might as well abandon the effort to arrange deals with foreigners. The Committee referred the agreement to experts, who recommended its ratification. At this time Lenin, having recovered his health, returned to his office. At once the Committee refused to sanction the agreement, and issued this official statement:

"The Council of Commissars has repeatedly expressed the desire to establish relations with foreign capitalists, especially

the Russo-Asiatic Company. But the importance and extensive character of the concessions contemplated necessitate most friendly relations between the Soviet Government and the country of the concessions. Recent actions of the British Government are not regarded as indicative of a sufficiently friendly attitude to admit the signature of a contract of such magnitude, and therefore the Soviet Government is compelled to reject the provisional agreement previously concluded between the Soviet representative and the Russo-Asiatic Company."

The statement is signed by Lenin as President of the Council of Commissars and by the Secretary

#### ***British High Commissioner in Palestine.***

On September 11, Sir Herbert Samuel in the Council Hall of Government House of Jerusalem took oath of office as High Commissioner of Great Britain within the mandated territory of Palestine. Amid the magnates present were General Allenby and Emir Abdullah of Transjordan. The report in the New York Times said:

"The stringent precautions taken throughout Palestine maintained order everywhere, according to reports received here. It had been arranged that all the Arab drivers of carriages and taxicabs should strike, so that most of the invited guests would be unable to reach Government House. The Government issued a warning that all drivers who struck would have their licenses withdrawn. The result was that there were conveyances to spare this afternoon"

Undoubtedly the sentiment of the Arab population, who constitute six-sevenths of the inhabitants, is hostile to the new British administration, through fear that the Jewish minority will be unduly favored. Under the mandate, Palestine, is to have a legislative council of twenty-two members under the presidency of the Commissioner. Ten of these are nominated by the British Administration. Of the twelve who are elected, two must be Jews, so that only ten could owe their positions to the free choice of the inhabitants of Arab blood. There is also an Executive Council, consisting of the higher officials of the Government, but their duties toward the Commissioner are advisory only. There are to be separate courts for Moslems, Christians and Jews. Immigration will be regulated by a committee of the Legislative Council, in which there is an Arab majority. Inevitably the victories of Kemal Pasha in restoring the Turkish Empire greatly fired the Arab im-



agination throughout the eleven States occupied by that race, viz: Mesopotamia, Syria, Palestine, Transjordan, Hedjaz, Assir, Yemen, Hadramaut, Oman, Bahrein and Nejd.

#### ***The Allies at Constantinople.***

September 12, according to the Associated Press report, the British Government notified the French Government that it expected the Allies to stand together for the defense of Constantinople and Gallipoli, and that military measures to that end should be left to the Allied High Commissioners at Constantinople. The British Government likewise is reported to have informed the Italian Government that the proposed conference at Venice to settle the questions of Near Eastern peace and war could not be immediately convened.

The French Government is said to have replied that it was in favor of preserving the freedom of the Straits and in favor of any settlement in which the legitimate aspirations of the Turks were safeguarded.

On the same day the Government of Soviet Russia sent to the British High Commissioner at Constantinople a note denouncing the treaty of Sevres, "which virtually enslaves the Turkish people," "whose victorious struggle for freedom Russia warmly salutes and supports." The note declares that Russia will recognize no settlement of the question of the Straits and Constantinople in which the Black Sea States, Russia, Turkey, Georgia and Ukraine have no part. If there is to be a protectorate of the Straits, Russia must be one of the protectors.

On the 16th it was announced that Great Britain had called upon Rumania, Yugoslavia and Greece to share in defending the neutral zone of the Straits, and had invited the British Dominions to send contingents to help in safeguarding the neutral zone. New Zealand replied on the same day that it would comply with the invitation, and on the 19th this action of the Executive was confirmed by the New Zealand Parliament. A similar response was made on the 19th by the Federal Cabinet of Australia, and it was approved by the House of Representatives. On the same day President Harding authorized a statement to the press that his Government would not participate actively in any settlement of political and military difficulties in the Near East, that American warships in Levantine waters are there to protect American lives and

property and will not be used for the defense of the Dardanelles.

Meanwhile the British were hurrying warships and soldiers to the Straits. They occupied Chanak, a strong position on the Dardanelles, from which French troops had been withdrawn, as the British thought, unnecessarily.

On the 19th Kemal Pasha assured the French Government that his troops would not attack the neutral zone if England, France and Italy would promise him that the Turks would receive Constantinople with Eastern Thrace up to the Maritza River and including Adrianople. An Allied conference was held at Paris, September 20, in which Premier Poincaré represented France, Lord Curzon, Great Britain, and Count Sforza, Italy.

It was agreed that to the peace conference to settle the Greco-Turkish problem, eight nations should be invited, viz: Great Britain, France, Italy, Japan, Turkey, Greece, Rumania and Jugoslavia. Russia and its two vassal states were not to be invited, and the reason given for including Japan was that it was a signer of the treaty of Sevres.

#### ***Japanese-Russian Conference.***

The conference at Chang Chun-fu reached another deadlock on September 19, and on the 20th adjourned to await further instructions from Tokio and Moscow.

Joffe for the Russians, on the 19th, presented an ultimatum declaring that Japan must evacuate not only Siberia, but northern Sakhalien as well, and that no Japanese trade agreements with the Far Eastern Republic would be sanctioned "while one Japanese soldier remains on Russian soil." The Japanese replied that Sakhalien would be held as security for an indemnity for the death of 700 Japanese by massacre at Nikolaievsk in 1920. Joffe replied that 4,000 Russians had been killed in that massacre, and that the responsibility for the calamity rested on Japan anyway.

On the 25th the Conference adjourned *sine die*.

The following day the Japanese Government issued a statement formally reaffirming the property rights of Japanese and Koreans in Siberia under treaties with Russia of the Czars, and objecting to "hostile propaganda" by the Soviets. The only public Russian answer came from Acting Foreign Minister Karahan in Moscow, who said: "Russia will never

agree on any terms to Japanese retention of North Sakhalien, which not only contains vast mineral wealth, but is a strategic menace to the mainland."

#### ***The Greco-Turkish War Settlements.***

The Allied Conference, which began at Paris on the 20th, prepared a note to Kemal Pasha, which was approved by the Cabinets and published on the 23rd in the following English form:

"The three Allied Governments ask the Government of the National Grand Assembly to be good enough to let them know if it is disposed to send without delay representatives with full powers to a meeting to be held at Venice or elsewhere and to which will be invited also, with the representatives of Turkey, plenipotentiaries of Great Britain, France, Italy, Japan, Rumania, Jugoslavia and Greece.

"This meeting will take place as soon as necessary arrangements are made by the Governments concerned. The object of this meeting will be to negotiate and consolidate a final treaty of peace between Turkey, Greece and the Allied Powers.

"The three Governments take this opportunity to declare that they view with favor the desire of Turkey to recover Thrace as far as the River Maritza and including Adrianople.

"On condition that the Angora Government does not send armies during the peace negotiations into zones, the provisional neutrality of which has been proclaimed by the Allied Governments, the three Governments will willingly support at the conference attribution of these frontiers to Turkey, it being understood that steps will be taken in common agreement in the treaty to safeguard the interests of Turkey and her neighbors, to demilitarize, with a view to the maintenance of peace in certain zones to be fixed; to obtain peaceful and orderly re-establishment of Turkey's authority, and finally to assume effectively under the League of Nations maintenance of the freedom of the Dardanelles, the Sea of Marmora and the Bosphorus, as well as protection of religious and racial minorities.

"For the rest, the three Allied Governments will willingly support the admission of Turkey to the League of Nations. They are in agreement in reaffirming their assurance, given in March last, that they will withdraw their troops from Constantinople as soon as the treaty of peace has entered into force.

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"The three Allied Governments will use their influence to procure before the opening of the conference the retirement of the Greek forces to a line to be fixed by the Allied Generals in agreement with the Greek and Turkish military authorities.

"In return for this intervention the Government of Angora will undertake not to send troops, either before or during the peace conference, into the zones of neutrality which have been previously declared and not to cross the Straits or the Sea of Marmora. In order to fix the above mentioned line, a meeting might immediately take place between Kemal Pasha and the Allied Generals at Mudania.

"The Allied Governments are convinced that their appeal will be listened to and that they will be able to collaborate with the Turkish Government and their Allies to establish peace, for which the whole civilized world is longing.

(Signed) "POINCARÉ.  
"CURZON.  
"SFORZA."

This means not only the return of the victorious Turk to Europe and a great disaster to Greece, but it means also a triumph for France, as the friend of Kemal Pasha, in its rivalry with England for predominance at Constantinople and in Asia Minor.

On the 24th, Henri Franklin-Bouillon left Paris for Smyrna to act as a special diplomatic messenger to Kemal Pasha. Before his departure, the Associated Press reported that he had received from Kemal this telegram:

"I await your arrival. Your friend,

"MUSTAPHA KEMAL."

On the 27th King Constantine of Greece, finding that the army had gone over to the Venizelist party, was compelled to abdicate, which he did in favor of the Crown Prince George. The chiefs of the insurrection accepted George.

On the 27th also orders were issued at Washington to rush twelve destroyers and a supply ship from Norfolk to Constantinople to increase the force under Admiral Mark L. Bristol, American High Commissioner. His command had consisted of eight destroyers and a station ship.

Kemal Pasha's answer to the Allied note, dated on the 29th, was as follows:

"The Government of the Grand National Assembly at Angora accepts with pleasure the wishes expressed in the Allied

note under the following conditions: That Constantinople and all Eastern and Western Thrace be ceded at once to the Nationalist Government. It accepts with contentment an interview with the Allies at Mudania to prepare the scope of future conferences.

"These conditions are transferred under the reservation that they must be ratified by the Grand National Assembly."

At the same time Kemal Pasha wrote to General Sir Charles Harington, British Commander-in-Chief and High Commissioner, demanding that the British troops retire from the Asiatic side of the Straits, as the French and Italians had done, that no Greek vessel be permitted to pass the Dardanelles, and protesting against destruction of Turkish war material in the Straits and British treatment of Turks in Constantinople.\*

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\* The text of Kemal's note as given in English by the Associated Press (Sept 30) was as follows:

"I have the honor to acknowledge the receipt of your telegram dated Sept 27

"You can easily appreciate the extent to which we have been moved by the atrocities and acts of violence which continue in Thrace."

"On the other hand, with regard to the sending away of the Greek fleet from Constantinople, which will influence the military situation, we desire proof that it will not be allowed to return.

"We would also like to hope that you will give up the measures of extraordinary coercion adopted by the forces of occupation toward the inhabitants of Constantinople, as well as the prohibition upon shipping to call at ports in Anatolia.

"So far as the proposed acts of destruction in Constantinople, as well as in Chanak, are concerned, it is illegal to destroy property, while the arms and ammunition also belong to us.

"Notwithstanding the unilateral decision taken without our consent, as a new measure, in order to avoid misunderstandings, we have given orders to the officer commanding our troops at Chanak for our troops to remain in the localities wherein they are now and to avoid giving rise to incidents.

"Should you be prepared to withdraw your forces from the Asiatic coast, in the same way as the French and the Italians, we are prepared to give forthwith orders to our forces which are on the coast of the Straits to withdraw slightly and to content themselves with re-establishing the civil administration and the police.

"Although I am returning to Angora in order to get into touch with the assembly, I will yet take advantage of the first occasion which presents itself in order to have the honor of meeting you.

"KEMAL."

The British Government assured General Harlington of its full support and gave him a free hand.

Inasmuch as the claims of the Angora Government of Turkey are embodied in the document known as the Turkish National Pact, it is pertinent here to explain and give that document.

It was drawn up by a Nationalist Party caucus on September 13, 1919, at Sivas, in Asia Minor. Mustapha Kemal Pasha, one of its principal authors, had been outlawed by the Damad Ferid Ministry at Constantinople on July 11, and when Ferid fell, on October 5, Kemal telegraphed the text of the pact to the new Ali Riza Ministry in Constantinople, which had been asked by the Sultan to order elections for a new Parliament. •

The Parliament finally convened on January 11, 1920, and on January 28 its lower house adopted the pact. On the night of March 15-16 a number of its Nationalist Deputies were arrested by British and Indian troops and embarked for internment in Malta. The remnant of the Chamber of Deputies finally broke up on April 12, and on April 23 the present Grand National Assembly held its first session at Angora. Kemal says that the Assembly's sole purpose is the execution of the pact, in the absence of any legal Ottoman Parliament at Constantinople to give effect to it.

Its text, as translated from a French copy furnished by Yusuf Kemal Bey, Foreign Minister at Angora, is as follows:

#### ***Turkish National Pact.***

"The Deputies of the Ottoman Parliament, having approved and signed the national pact, of which we give below the copy, declare the principles therein announced to be the limit of sacrifice to which the Ottoman Parliament can consent to go in order to assure itself a just and lasting peace:

"Article I.—Those territories of the Ottoman Empire populated by an Arab majority and being, at the time of the armistice" (October 31, 1918) "occupied by the enemy armies, shall be ruled according to the will of the local populations. [These territories are Mesopotamia, Syria, Palestine, Arabia and Egypt.]

"Those parts of the empire situated on the armistice line, inhabited by a Moslem majority, united by religious and cultural ties and animated by a similar desire for the establish-

ment of their ethnical rights, form a complete whole with us which shall suffer under no pretext whatsoever any dissociation." [The territories here referred to are those of Cilicia, which was recovered by the Franco-Turkish agreement of October 20, 1921, and the Mosul province of Mesopotamia, which the British hold.]

"Article II.—In the case of the three sanjaks which united themselves to us by vote when they were first free, we accept a second plebiscite if necessary." [These are the sanjaks of Kars, Ardahan and Batum in the Caucasus; the Turkish frontiers here are mapped in annexes to the Russo-Turkish Treaty and the Treaty of Kars, drawn between the Angora Government on the one hand and the Caucasian republics of Georgia, Armenia and Azerbaijan on the other.]

"Article III.—The juridical status of Western Thrace, which has been made dependent on the Turkish peace, shall be effected in accordance with a free plebiscite.

"Article IV.—The security of the City of Constantinople, which is the seat of the Caliphate of Islam, the capital of the Sultanate and the headquarters of the Ottoman Government, and the security of the Sea of Marmora must be effected. This necessity, once put and admitted, the Ottoman Deputies are ready to subscribe to any decision which may be taken by the Imperial Government, on the one hand, and the interested powers, on the other, with a view to assuring the opening of the Straits to world commerce and international communication.

"Article V.—The rights of minorities will be confirmed by us on the same basis as is established in other countries by conventions hitherto concluded between the powers of the Entente, their adversaries and certain of their associates. At the same time, we have the firm conviction that the Moslem minorities of other countries shall benefit from similar guarantees.

"Article VI.—With a view to assuring our national and economic development, and with the end of giving the country a more regular and more modern administration, the signatories of the present pact consider the possession of complete independence and liberty as the sine qua non of our national existence. In consequence, we oppose all juridical or financial restrictions of any nature which would arrest our national development." [This refers to the Capitulations, which give foreigners in Turkey something like a diplomatic status.]

"The conditions of settlement of our proved debts shall likewise not be contrary to these principles.

"Constantinople, January 28, 1920."

It was announced in Constantinople on October 2 that Henry Franklin-Bouillon, the French special envoy, secured Kemal Pasha's pledge to suspend military movements during the armistice conference, provided the Allies accept the following conditions:

1. Formal guarantees concerning the evacuation of Thrace.
2. The establishment of Allied garrisons in the larger towns of Thrace.
3. The occupation of Thrace by Turkish Nationalist gendarmerie.
4. The transfer of the civil administration of Thrace to Kemalist functionaries.
5. The evacuation of Thrace within eight days by the Greek army.
6. The occupation of the western line of the Maritza River by Allied troops.

The High Commissioners and Allied Generals and Admirals met in council and declared these terms "discussable but not acceptable."

The preliminary Armistice Conference on terms of peace in the Near East between the Allies and Greece on the one hand and Kemal Pasha on the other, began on October 3 at Mudania on the southern shore of the Sea of Marmora.

Sir Charles Harington demanded the acceptance of the Allied note of September 23. Ismet Pasha, representing Kemal's Government, accepted it "in principle." Both sides then agreed to preserve the inviolability of the neutral zone between the Turkish and British forces. For several days the Conference debated without agreement. Turkish demands for the immediate occupation of Thrace and Constantinople, due possibly to the counsel of Franklin-Bouillon, caused the parley to break off on the 5th, and on the 6th, MM. Poincare, Curzon and Sforza were in conference at Paris in order to thwart the Turkish attempt to create a division among the Allies.

On October 5, the Foreign Office in London received the Angora Government's reply to the Allied invitation to a peace conference. The reply said:

"The Angora Government appreciates the desire for a just



and durable peace. The allied note touches on two sets of facts, namely, the present military situation and negotiations for a treaty of peace.

"The Mudania meeting will deal with our point of view regarding the military situation, which we communicated in our note of September 29, and its decision will be executed in all respects.

"As to the peace negotiations, we agree to send representatives and negotiate a treaty between Turkey, Greece and the Allies. As the Allies admit the possibility of meeting elsewhere than in Venice, we suggest that the conference meet on October 20 in Smyrna.

"Besides the four great powers and Greece, only two States [Rumania and Jugoslavia] are invited to the conference, not because they are belligerents, but presumably because they are most interested in certain questions to be settled by the treaty of peace

"The only important question of this kind is the future control of the Straits. We cannot but express surprise that Russia, the Ukraine and Georgia, who are deeply interested in this, should not have been invited, as the participation of these three states would help to make the settlement more lasting and avoid all future cause for conflict.

"We definitely propose that they should be invited in the same way as the other two States already invited by the Allies, and we hope that the invitation will be addressed to them before the conference.

"We thank the Allies for recognizing our rights in Thrace. There is no disagreement in principle regarding the freedom of the Straits, in order to secure the safety of Constantinople and the Sea of Marmora, and the safeguarding of minorities within the limits compatible, either with the independence or the sovereignty of Turkey, exigencies of an effective settlement in the Near East.

"We will in due course make known our views regarding our admission into the League of Nations.

"We are glad to note the renewed assurances regarding the evacuation of Constantinople by Allied troops. We are convinced that the Allies appreciate the impatience with which we await the realization of the promised evacuation.

"We are impressed by the appeal with which the Allied note concludes and can assure the Allies of our loyal and sincere assistance in re-establishing and maintaining peace."

The conference of Ministers at Paris having reached a firm agreement, the Turkish negotiator at Mudania perceived that the expected French support for his demands for immediate occupation would not be forthcoming.

The negotiators at Mudania therefore reached on October 10 an agreement upon a convention for an armistice specifying:

"I. That the Greek evacuation of Thrace shall be carried out within about fifteen days.

"II. That the Greek civil authorities, including the gendarmerie, shall be withdrawn as soon as possible.

"III. That as the Greek authorities withdraw the civil powers shall be handed over to the Allied authorities, who shall transmit them to the Turkish authorities on the same day.

"IV. That this transfer shall be wholly concluded throughout Eastern Thrace within a minimum period of thirty days after the evacuation of the Greek troops has been concluded.

"V. That the civil authorities of the Angora Government shall be accompanied by such forces of the Nationalist gendarmerie as are strictly necessary for the maintenance of law, order and local security. The total strength of these officers and men shall be left to the discretion of the Nationalists, subject to the approval by the Allies.

"VI. That the various operations in the withdrawal of the Greek troops and the transfer of the civil administration shall be carried out under the direction of the interallied missions, located in the principal centers. These missions will do their utmost to prevent excesses of any kind.

"VII. That in addition to these missions, Allied contingents shall occupy Eastern Thrace. These contingents, amounting to about seven battalions, will insure the maintenance of law and order and act in support of the interallied missions.

"VIII. That the withdrawal of the interallied missions and contingents shall occur in thirty days after the completion of the evacuation of the Greek forces. This evacuation may occur earlier, provided the allied Governments are agreed that adequate provision has been made for the maintenance of law, order and the protection of the non-Turkish population. If the Turkish gendarmerie functions normally, the interallied missions and contingents may be withdrawn before the expiration of thirty days.

"IX. That all troops of the Angora Government shall be

withdrawn outside the zone of allied occupation with all possible speed. New neutral zones in the Chanak and Ismid areas shall be defined by mixed commissions, consisting of one officer of each of the allied armies and one officer of the Angora Government.

"X. That in the Constantinople peninsula zone the allied occupation shall extend east of the following line: Starting at a point on the Black Sea seven kilometers to the northwest of Podema and then proceeding to Strandja, Murtekli, Kien-taglu, Sinrekli, Cara, Sinan Tchiftlik, Kadikeu, Yenidje, Fladina Tchiftlik and Calicratia. [This carries the zone of allied occupation about thirty miles westward of the Tchatalja line.]

"XI. That included in the Gallipoli peninsula zone of allied occupation is all that part of the peninsula south of the Bakla and Bulair line.

"XII. That until the withdrawal of the allied troops and the cessation of allied occupation in each of the zones referred to, the Angora Government undertakes to respect said zones.

"XIII. That the Angora Government shall undertake not to transport troops into, nor raise and maintain an army in Eastern Thrace until the ratification of peace.

"XIV. The present convention shall come into force three days after its signature."

The Greek delegate refused to sign on the plea of lack of authority, but the Allies pledged that Greece would observe the armistice.

### ***Payment of Expenses of American Army of Occupation.***

It was announced at Washington on September 27 that the Reparations Commission and Secretary Hughes had agreed upon a plan, proposed by the latter, whereby the German dyes assigned to the United States (5 per cent. of the total output) would be handed over without payment and would be credited on the American bill against Germany for the expenses of the United States troops at Coblenz.

### ***Increasing Demand in the United States for More International Co-operation.***

Justice John H. Clarke, whose resignation from the United States Supreme Court became effective in the middle of September, had previously announced that he would devote himself

to the education of a public opinion favorable to the League of Nations. In order to make his motives clear, he issued on the 21st an elaborate definition and defense of his position, in which he said: "When I resigned, I did not intend to become, and shall not under any circumstances hereafter become, a candidate for any public office. \* \* \*

"The essential thing is to get our Government into the League as promptly as possible, on such terms that the moral—and the potential economic and physical power—of our great country may be added to the sanction of the League's decisions, so that we may contribute to the restoration of peace to the distracted world."

The burning of Smyrna, the massacre of Christians there and the efforts of the Near East relief and other benevolent organizations to succor the refugees, moved churches and missionary societies throughout the United States to bombard the State Department with remonstrances. Bishop James Cannon of the Methodist-Episcopal Church, South, coming home from Constantinople, telegraphed from Paris to Secretary Hughes (September 30) that "Almighty God will hold our country responsible for its inaction while thousands were murdered" and for its failure to protest against the Kemalist decrees of deportation. Secretary Hughes replied on October 2 that both himself and the American High Commissioner at Constantinople had said and done what they could in protest, warning and investigation, and concluded with these words:

"As you are probably aware, the Executive has no authority to go beyond this, and there has been no action by Congress which would justify this Government in an attempt by armed forces to pacify the Near East, or to engage in acts of war in order to accomplish the results you desire with respect to the inhabitants of that territory, and to determine the problems which have vexed Europe for generations."

### ***The United States and the Opium Traffic.***

September 30, after a conference with President Harding, Representative Stephen G. Porter, chairman of the House Committee on Foreign Affairs, announced that after Congress re-assembles it will be asked to authorize the President to call an international conference of all nations producing opium or its derivatives. The total production of opium and its derivatives throughout the world is 1,211 tons annually, of which less than ten tons is used for medicinal purposes.

Together with this announcement a carefully prepared statement was given to the press by the State Department, which is reproduced here verbatim:

"The State Department has been considerably annoyed in the last six months by insinuations from Europe that the Government had refused to co-operate with the other Governments of the world for the suppression of the opium traffic in connection with the League of Nations. Mr. Hughes has, from time to time, notably in recent correspondence with the Dutch Government, made the position of the United States plain. The United States is a signatory of The Hague convention concerning opium, which was concluded in 1912, and has always been ready to co-operate under the terms of that convention for the suppression of the drug traffic. The Treaty of Versailles, however, placed in the hands of the League of Nations the work of co-operating internationally to control the drug trade, and the criticisms of the United States have been, for the greater part, based upon the assumption that this Government did not wish to work hand-in-hand with the League.

"State Department officials assert that the Dutch Government has been fully informed of the fact that this Government, not having ratified the Treaty of Versailles, cannot legally co-operate with the League directly, but must abide by its only existing treaty concerning drugs, namely, The Hague Convention. With this idea in mind, the Department of State has from time to time forwarded to the Dutch Government information requested concerning the drug traffic in the United States and the laws and regulations enacted here for its control."

This communique shows that our State Department was well aware that the Dutch Government was receiving the information referred to, solely in order that it might transmit it to Geneva for the League Commission on Traffic in Opium and other noxious drugs.

### ***Commission on Changes in Rules of War.***

It was officially announced at Washington on September 30 and at The Hague on October 2 that the Jurists Commission to consider rules of war with especial reference to new methods of warfare, authorized at the Washington Conference, would meet at The Hague on December 10.

Each of the five Great Powers may be represented by two

jurists. John Bassett Moore was named as the Commissioner of the United States and Admiral W. L. Rodgers was assigned to act as his naval adviser.

### ***Health Organization. First Interchange.***

The first Interchange of Public Health Personnel, financed by the Rockefeller Foundation, took place at Brussels, beginning October 9. In the United States it would be called an institute or conference. Twenty-two medical officers, chosen by their Governments and representing eight countries, developed a spirit of international collaboration by attending courses of instruction, inspecting and studying Belgian institutions for public health, getting acquainted and comparing ideas.

This session was adjourned to Italy on November 11, where all the large cities are visited in turn until December 20th, when the members assembled at Geneva for final conferences. The next Interchange will begin its sessions in England.

### ***Restoration of Kiao Chau to China.***

It was announced at Tokio on October 10 that Japanese troops would leave Kiao Chau on December 2. On that date civil and military authority in that district would be returned to China and the Chinese flag would be unfurled for the first time since Germany took possession in 1898.

### ***Reparations Commission.***

On October 10 M. Louis Barthou became the French delegate to the Reparations Commission and was elected chairman. In both capacities he is the successor of M. Louis Dubois.

### ***Italy and the Dodecanese Islands.***

On October 10 the Greek Government allowed it to be known that the Italian Government had declared the Greco-Italian convention for the return of the Dodecanese to Greece to be no longer in force, since it was an annex to the treaty of Sevres, now discarded.

The Italian Government had previously signified its intention to keep the Island of Rhodes, the largest of the group, which, under the agreements in the treaty of Sevres, Italy would return to Greece only when Great Britain ceded Cyprus to Greece.

### ***Move Towards End of British Mandate Over Mesopotamia.***

On October 11 it was announced in London through the Associated Press that on the previous day a treaty of alliance between Great Britain and Irak had been signed at Bagdad.

Under the treaty, which consists of eighteen clauses, King Feisal agrees to be guided by the advice of King George on international and financial obligations and interests for the whole period of the treaty, which will remain in force for twenty years, such support and assistance to the armed forces of the King of Irak as may be necessary to be provided by Great Britain.

No gazetted official of other than Irak nationality shall be appointed in Irak without the concurrence of the British King. The organic law which King Feisal agrees to frame for presentation to the constituent assembly of Irak shall insure to all complete freedom of conscience and free exercise of all forms of worship, religion and language.

By Article VI of the treaty the British Government promises to use its good offices to secure, as soon as possible, the admission of Irak to the League of Nations, this being, in the opinion of the British Government, the only means by which mandatory relations in Irak can be legally terminated. The treaty is accompanied by an official announcement that the application of Irak for admission to the League must be preceded by the following steps:

1. Delimitation of the frontiers of Irak. (Both France and Turkey will be interested in this.)
2. Ratification of this treaty and its subsidiary agreements.
3. Application of the "organic law" of Irak throughout its territory and establishment of a stable Government under that law.

The treaty provides that no territory in Irak shall be ceded or leased to any foreign power and also that there shall be no discrimination against the nationals of any state belonging to the League of Nations or any state with which Great Britain has a treaty providing for similar treatment as though it belonged to the League, in matters concerning taxation, commerce or navigation, and, generally, in matters concerning trade and transit.

The treaty comprises eighteen articles and in ten of them

are provisions involving the League of Nations. The financial and diplomatic control of Irak by Great Britain is carefully safeguarded.

The full English text of the treaty is in the New York Nation for November 22, 1922, pages 559-563, and in the Official Journal of the League of Nations for December, pages 1505-1509.

### ***Governing Body of the Labor Office.***

The Governing Body held its fourteenth session at Geneva October 12-13, 1922.

The Governing Body discussed proposed changes in rules of procedure, referred to a sub-committee the question of a new building for the Labor Office on a site recently given by the Swiss Government, and started to define legally the division of responsibility between the League of Nations and the Labor Office for the expense of construction.

The Governing Body named its representatives on the Mixed Advisory Committee on Agriculture.

The director was instructed to translate the Official Bulletin of the Labor Office and if necessary other publications into such languages, other than the official languages, as seemed desirable, provided that financial conditions would permit it. This resulted in issuing the Provisional Record of the Conference in Spanish, and a daily summary of the debates in German.

### ***United States and Norway Before The Hague Tribunal of Arbitration.***

On October 13 The Hague Tribunal of Arbitration rendered decision in the case of Norway versus the United States, awarding to Norway damages amounting to approximately \$12,000,000.

The American arbitrator, Chandler P. Anderson, was not present. After the reading of the award an American agent read a letter from Mr. Anderson, claiming that the majority of arbitrators had "disregarded the terms of submission" and exceeded the authority conferred upon them "by the special agreement of June 30, which imposes definite limits to its jurisdiction."

The president of the tribunal, M. Vallotou of Switzerland, said that such a protest was not in conformity with The



Hague Convention, nor with the special agreement upon this case.

The treaty between the two countries which authorized this arbitration, provided that the decision of the tribunal shall be "accepted as final, definite and binding for both Governments."

### ***Reparations Commission.***

October 13, Sir John Bradbury, British representative, proposed in the Reparations Commission:

"First—To relieve Germany of all cash reparation payments for two or four years, permitting her to give five-year notes instead.

"Second—To suspend all payments in materials for the same period except those for which the recipients shall pay by guaranteeing German bonds to an equivalent amount.

"Third—To fix the value of the paper mark at a gold figure to be decided on by a mixed commission.

"Fourth—To reorganize the Reparation Commission by including American and neutral members and transferring it to Berlin."

This is a proposed enlargement of the settlements arranged on August 31 between Germany and Belgium.

It was announced after a meeting of French Ministers that France would reject the Bradbury proposal.

The French counter-proposition, prepared by MM. Barthou and Poincaré, was submitted to the Commission on October 20. It called for the establishment of a committee of control in Berlin, empowered to control all German State finances, to regulate expenditures and taxation, to supervise the budgets of the various German states, to provide for the payment of indemnities, to regulate the currency and gradually put Germany on a gold basis. The plan proposed the calling of an international conference at Brussels to deal with the broad question of Allied payments in 1923 and 1924.

The impression prevailed that the British Government was not anxious to have a conference of that kind. The Belgian Government did not want the conference unless its success could be assured. On the 23rd, Chancellor Wirth formally proposed to his Cabinet and to party leaders that the German State should declare itself bankrupt and should default on all payments in kind as well as in cash.

On the 24th the Reparations Commission voted to go to

Berlin on October 29th, the Allies having all agreed to declare Germany in default if Germany refused to carry out within a reasonable time the internal reforms which the Commission would recommend in Berlin.

The immediate result of the new move on the part of the Commission was an announcement from Berlin on October 27 that the Stinnes-de Lubersac agreement could not be carried out. The reasons assigned were the rapid fall of the mark and the consequent difficulty in estimating values.

### ***Preliminary Near Eastern Conference.***

On October 17 it was announced in Paris and London that the French and Italian Governments had accepted the proposal of the British Government to meet and agree upon economic and financial clauses of a new treaty with Turkey as a preliminary to the coming Near Eastern peace conference.

The rupture of the party coalition that had been governing Great Britain and the consequent downfall of Lloyd George and his Ministry on October 19, were responsible for the abandonment of this plan for a preliminary meeting. The final peace conference was then assigned to November 13.

On the 19th the three Governments agreed that two conferences should be held simultaneously on that date at Lausanne, one the peace conference attended by the four Great Powers, Yugoslavia, Rumania, Greece and Turkey, both the Constantinople and the Angora Governments; the other, a conference on the Straits and international control, to which Russia, Ukraine, Georgia and Bulgaria might also be invited.

### ***Vilna Dispute.***

Between October 7 and October 23 the Lithuanian and Polish Governments conducted an impassioned correspondence with the officers of the League of Nations.

The Lithuanians first protested against the right of Poland to hold parliamentary elections in the Vilna district, described as "Lithuanian territory which is under Polish military occupation." Second, the Lithuanians submitted charges of brutality and murder by Poles against inhabitants of the Vilna and Grodno districts who would not recognize the Polish occupation, would not take part in the elections, and would not serve in the Polish army.

The Poles declared the charges of brutality and murder were all false.

### ***Fourth International Labor Conference.***

The Fourth International Labor Conference began its sessions at Geneva on October 18.

The representatives of fifty-four nations and attendant experts, in all about 200, were present.

Mr. Arthur Fontaine (France), chairman of the Governing Body, opened the session. Viscount Burnham (England) was elected President of the Conference. Ernest H. Greenwood, Washington representative of the Labor Bureau, was there as American observer.

The Conference voted to form three main Committees; one Constitutional Questions (change in order of Governing Body), one on Migration Statistics, and one on Procedure for Amendment of Conventions. A Commission on Unemployment was named on October 22.

The discussion of the Director's report was concluded on October 26. This report was a quarto volume of 300 pages. It showed that the conventions approved by the Labor Conferences had been ratified by various countries in fifty-three cases.

A curious incident occurred when the Governmental employers' and workers' groups were called upon to designate separately a candidate for the vice-presidency. The rules stipulate that the president and three vice-presidents of the Conference must be of different nationalities. When the employers' group nominated Robert Pinot, and the workers' group nominated Leon Joulaux, both French, the Conference refused to ratify the designations.

The Government group decided to nominate Dr. Aristides de Agüero y Bethencourt of Cuba as vice-president.

Finally it was voted to suspend for the session the rule above quoted, and to elect the Governmental nominee to be the only vice-president.

A new Governing Body was chosen, whose term of office expires in 1925. The Governmental members were the eight States named in the Council of the League of Nations as of prime industrial importance.

The four elected States in the Governmental group were Chile, Finland, Poland and Spain. Finland took the place of Switzerland. Possibly this fact had some connection with the departure of the Swiss Governmental delegates on November 3 without waiting for the formal end of the session later in

the day. In the same way on the same day the German representatives left the Conference, after voicing their discontent because German was not recognized as an official language.

The Portuguese delegate also protested because his country lacked representation on any Commission, especially the Commission on Migration.

The Conference adopted the draft of the amended Article 393 of the Peace Treaty. It provides that the Governing Body of the Labor Office shall be composed of thirty-two members instead of twenty-four, as in the original article, of whom sixteen, instead of twelve, shall represent the Governments, eight the employers and eight the workers.

Of the sixteen Government members six are to be appointed, one each by the Governments of the United States, Great Britain, France, Italy, Japan and Germany. The ten other members representing the Governments will be elected by a majority of all the governmental delegates present at the Conference; four of these ten will be from non-European States. The employers' and employees' delegates will be designated by the vote of their respective representations.

The Conference devoted much time to migration and unemployment, approving and extending the work of the Labor Office and the Commissions, and ordering an investigation of standards of working class life in Germany and other countries with a depreciated currency, as compared with pre-war conditions. The Conference recommended international agreements to adopt a uniform definition of the term "emigrant," to determine uniform particulars for the identity papers of emigrants and to secure uniform methods in recording migrations.

The Conference adjourned on Friday, November 3.

### ***The Governing Body***

On October 31 the expiring Governing Body held its fifteenth and final session, merely to wind up its routine business and make way for its successor, the new Governing Body elected on October 30. This Body met immediately after the adjournment of the other, and organized with Mr. Arthur Fontaine (France), as chairman, and M. Carlier (Employers, Belgium), and M. Oudegeest (Workers, Holland), as Vice Chairman. It was voted that the next meeting should be at Geneva, January 30, 1923.

### ***International Federation of League of Nations Societies***

The Council of the Federation met at Budapest October 20-22. Twenty States were represented. Apart from preparation of business for the Seventh Congress or Assembly of the Federation at Vienna in 1923, the most significant action of the Council was the adoption of this resolution:

"In the opinion of the Federation of League of Nations Societies, it is in the interest of the peace of the world that at the conclusion of the impending peace conference on the Near Eastern question (Lausanne) a general conference should be called by the League of Nations to deal with—and be responsible for—all those questions affecting Near Eastern settlement, which it is proposed to entrust to the League of Nations for execution."

### ***Central American Arms Conference***

Secretary Hughes announced on October 23 that the five Central American republics would meet in Washington, December 4, to confer about limitation of armaments. This is the second attempt of the Administration to revive as much of the treaty of 1907 as this Administration cares to preserve, and to make the deliberation on disarmament an object lesson to the Geneva League as well as to the members of the Pan-American Union who have already indicated their intention to discuss limitation of armaments at their international congress at Santiago in 1923.

The first attempt was the meeting on board the U. S. S. Tacoma in Fonseca Bay on August 20. Guatemala and Costa Rica, when invited to adhere to the agreement there made, had declined on the ground that they considered the treaty of 1907 still in force.

The agenda for the conference is set forth in the invitations of Secretary Hughes as follows:

1. The negotiation of a treaty or treaties to make effective those provisions of the treaties signed at Washington on December 20, 1907, which experience has shown to be effective in maintaining friendly relations and co-operation.

2. Measures whereby, in view of the achievements accomplished with regard to the limitation of armaments by the Powers participating in the conference at Washington in 1921, the Central American States may carry on this endeavor and

set an example to the world and, above all, to the Powers of this hemisphere, by adopting effective measures for the limitation of armaments in Central America.

3. The working out of a plan for setting up tribunals of inquiry whenever any disputes or questions regarding the proposed treaty or treaties which cannot be settled by diplomatic means shall unfortunately arise between any two or more of the countries.

4. Any other questions which the countries represented at the conference unanimously desire to consider.

### ***The United States Co-operates With the League***

Through various publications in the press it was officially made known (October 17-24) that the Government of the United States had at different times designated persons to act with committees of the League "in a consultative and unofficial capacity." The separate items are as follow:

A member of the United States Public Health Service was present in a consultative capacity in the meeting held last year in London under the auspices of the Health Organization of the League for the purpose of standardizing serum.

A member of the Public Health Service attended the Sanitary Convention called by the Government of Poland and held under the auspices of the League last October in Warsaw.

An American expert will attend the meeting at Brussels in October of this year called by the Health Committee of the League of Nations pursuant to a resolution passed by the Committee on May 8, 1922, to consider the interchange of sanitary personnel between different countries.

Dr. Marion Dorset, chief of the Biochemic Division of the U. S. Department of Agriculture, is to co-operate in "an unofficial consultative capacity" with the Anthrax Advisory Committee of the International Labor Office. A meeting of this Committee is shortly to be held in London in accordance with the vote of the Fourth International Labor Conference for the purpose of inquiring into disinfection of wool, hides and other materials against anthrax, as well as into methods of preventing anthrax among flocks.

Miss Grace Abbott, chief of the U. S. Children's Bureau, is also to co-operate in a consultative capacity, with the Advisory Committee of the League on the traffic in women and children.

Dr. Rupert Blue was named by the United States Govern-

ment, December 15, as a similarly unofficial member of the Opium and Drug Traffic Commission.

The United States Government is also fully represented in the International Hydrographic Bureau, which has become a part of the League of Nations machinery.

### ***United States Invited to the Near East Conferences***

At Paris, October 26, it was announced that England, France and Italy had concurred in inviting the United States to be represented at the Lausanne Conferences. The official invitation was formally delivered to Secretary Hughes by the representatives of the three Powers on October 28. The note read as follows:

"The Governments of Great Britain, France and Italy are inviting the Governments of Japan, Rumania, Jugoslavia, Greece and Turkey to send representatives to Lausanne on November 13 to conclude a treaty of peace to end the war in the East. They are also inviting the Russian and Bulgarian Governments to send representatives at a date to be fixed later to participate in the discussions which the Conference will undertake in the course of its proceedings on the subject of the Straits.

"The three principal Allied Powers recall that a representative of the United States Government was present at San Remo in the final stages of the proceedings of the Supreme Council which led to the drafting of the Treaty of Sevres in 1920. They would welcome the presence of a United States representative at Lausanne in a similar capacity, or in a more active capacity, especially in the discussion upon the question of the Straits."

It was promptly announced at the State Department that the United States would send "observers" to Lausanne, and that it had so informed the inviting Powers on the previous day.

### ***The Angora Government Begins to Assume Sole Power in Turkey***

October 25 it became known in Constantinople that the Angora Government had warned all banks in Constantinople that it would not recognize any payments made on account

of the Constantinople Government. This was intended to shut off payment of salaries.

The Allied Commissioners promptly ordered the banks to continue the usual disbursements, and notified Hamid Bey, representative of Angora, that they would not allow his injunction upon the banks.

The Angora Government also announced that all foreigners wishing to remain in Anatolia must within four weeks be registered, and must promise to submit to Turkish law in every respect, waiving all right to appeal to the jurisdiction of his own Government. This was a step in consonance with the declaration of the Angora Government that it had abolished the capitulations in the Turkish Empire as inconsistent with the independent sovereignty of the Turkish nation.

### ***Arbitration Settles the Landreau Claims***

For more than half a century the United States and Peru had been concerned in litigation over the Landreau claims against the latter Government. Theophile Landreau, a Frenchman, in 1850, discovered guano deposits in Peru. In 1859 he assigned a third interest in his guano property to his brother, Jean Celestin Landreau, who later settled in Louisiana and became a naturalized citizen. Peru bought out Theophile in 1892, without any consideration for his brother's interest. The case was finally referred to an arbitration commission, which sat in London, and on October 26 decided that Peru should pay \$125,000 to the United States Government for the heirs and assigns of Jean Celestin Landreau.

### ***Status of the Kiel Canal***

When Russia and Poland were at war, Germany refused, March 21, 1921, to let the steamship Wimbledon go through the Kiel Canal, claiming that it was carrying munitions of war to Poland and that Germany, as a neutral, could not permit such traffic with a belligerent. As a question in international law, this dispute was referred to the Council of Ambassadors, which decided, October 26, that the question of the status of commerce in the Kiel Canal in time of war should be taken to the Permanent Court of International Justice. Accordingly, in December, the representatives at The Hague of Great Britain, France, Italy and Japan concurred in filing with the Registrar of the Permanent Court notice of a suit by those Powers against



Germany. The suit is brought under Articles 380 and 386 of the treaty of Versailles. Under the former article the Kiel Canal must be kept open to all ships of all nations at peace with Germany. The Registrar of the Court has notified Germany and all other signatories of the treaty of Versailles. The Secretary-General of the League has also notified all member States.

### ***Japanese Forces Quit Siberia***

October 26 the last detachments of Japanese soldiers sailed from Vladivostok for home, and the only Japanese troops left on Russian soil were those in the northern part of the island of Sakhalin.

The so-called "White" Government had already disappeared from Vladivostok and the control of the city passed from the Japanese to representatives of the Far Eastern Republic (the Chita Government). The departure of the Japanese troops is to be promptly followed by the termination of the control of the Chinese Eastern Railway by an International Commission at Vladivostok and a technical commission at Harbin, of which Mr John F. Stevens of the United States is chairman. The Chinese Government is supposed to take over the operation and protection of the railway, but it does not appear what role is assigned to Chang Tso-lin, the bandit ruler of Manchuria. The railway runs across northern Manchuria, and from Harbin a branch runs southward to Changchun. It is supposed to be owned by Russian and Chinese subjects, but the chief stockholder is the Russo-Asiatic Bank of Peking, which was formed by Russian and French capital.

On October 31 it was announced that the Commission to arrange for the return of Kiao-chau to China was already in session at Peking.

### ***The Empire of Oil***

It was announced in financial circles in London on October 26 that, by agreement between the Standard Oil Company and the Royal Dutch-Shell-Anglo-Persian companies, something like a 25 per cent. interest in the Mosul oil field should be assigned to the Standard Oil Company and that a selling agreement would be signed as soon as the other interests could decide what percentage of contribution each should make to the Standard pool.

November 1 it was announced in Washington that at the

request of Great Britain and Costa Rica Chief Justice Tañ, would act as arbiter in the dispute over the Amory Oil Concessions. This concession, granted by the Tinoco Administration (unrecognized by the United States) to a British company, is held to be invalid by the present Costa Rican Government, which is hostile to Tinoco.

### ***The American Legion on Armaments and War***

On October 29 the newspapers contained a declaration of principles adopted the previous day at the convention of the American Legion in New Orleans. The officers of the Legion and official delegates from the Inter-Allied Veterans' Association, internationally nicknamed "Fidac," signed and witnessed the declaration whereby the convention resolved:

"That all international agreements among governments affecting the entire people shall be open and above board with full publicity.

"That treaties make the law between the nations. They must be executed in good faith.

"To oppose territorial aggrandizement.

"To vigorously suppress within our own boundaries all persons and propaganda seeking to overthrow by force government existing by will of the people.

"That the financial policies of the Allied Governments must have as their aim the stability of exchange and the resumption of international commerce, and we recommend the suspension of trade relations with countries maintaining armies organized for aggressive purposes.

"That an international court be established to outlaw war.

"To proceed as rapidly as conditions permit and when the decrees of such courts become operative (except for machinery necessary to maintain them and the minimum police forces) to entirely disarm and disband our land, sea and air forces and destroy the implements of warfare."

An additional resolution recommended that Fidac establish a News Bureau represented in each member country, with governmental sanction, and designed to counteract destructive revolutionary propaganda, especially that promoted by Bolsheviks.

These resolutions were originally drafted by a committee which comprised representatives of nearly every army that fought against the Central European Powers in the Great War.

### ***Secretary Hughes Favors Adhesion to the World Court***

On October 30 Secretary Hughes at Boston in a notable speech reviewed the whole work of his department for two years. While not referring directly to the League of Nations by name, he took occasion to say that the Administration favors and has always favored "an international court of justice for the determination of justiciable international disputes according to judicial standards.

"I believe that suitable arrangements can be made for the participation by this Government in the election of judges of the international court which has been set up, so that this Government may give its formal support to that court as an independent tribunal of international justice."

While expressing his conviction that we should avoid any interference in the political problems and rivalries of Europe, he invited commendation because "members of our Public Health Service have been in attendance at sanitary conventions abroad, and our experts are associated with efforts to prevent disease, to curtail commerce in narcotics, and to co-operate in the prevention of traffic in women and children."

On the next day, October 31, a statement was given out at the White House that informal negotiations were already begun for giving the United States a voice in the nomination and election of judges of the world court. The United States could without joining the League sign the protocol establishing the court, and the League Assembly and Council could amend their statute so that a non-member, accepting the jurisdiction of the court, could share in the election of judges.

### ***The United States Accepts Invitation to Send Observers to Lausanne***

On October 31 the United States Government replied to the formal invitation from Great Britain, France and Italy by transmitting to them an aide-memoire defining the extent of its participation in the coming conference at Lausanne, the objects of its policy there, and the reasons why its representatives there would be "observers" only. The text of the note follows:

"The conference proposed for the purpose of drawing up a treaty of peace with Turkey will have primarily to deal with the problems resulting from the state of belligerency between

the Allied Powers, Turkey and Greece. The United States was neither at war with Turkey nor a party to the armistice of 1918 and does not desire to participate in the final peace negotiations or to assume responsibility for the political and territorial adjustments which may be effected.

"While maintaining this reserve in regard to certain phases of the Near East settlement, the Government of the United States does not desire to leave the impression that it regards its interests as less entitled to consideration than those of any other power, or that it is disposed to relinquish rights enjoyed in common with other powers, or proper commercial opportunity, or that it is unconcerned with the humanitarian interests involved.

"For the purpose of clarity certain subjects of particular American concern may be briefly summarized:

"1. The maintenance of capitulations which may be essential to the appropriate safeguarding of non-Moslem interests.

"2. The protection, under proper guarantees, of philanthropic, educational and religious institutions.

"3. Appropriate undertakings in regard to the freedom of opportunity, without discrimination or special privilege, for commercial enterprise.

"4. Indemnity for losses suffered by Americans in Turkey as a result of arbitrary and illegal acts.

"5. Suitable provisions for the protection of minorities.

"6. Assurances touching the freedom of the Straits.

"7. Reasonable opportunity for archaeological research and study.

"This brief summary, while not exhaustive, may serve to indicate the general nature of American interests. To safeguard such interests and to facilitate the exchange of views the Government of the United States is prepared to send observers to the proposed conference if this action is agreeable to the powers concerned. Without participating in the negotiations of the treaty of peace, these observers would be able to indicate this Government's position in greater detail than is possible in this aide-memoire, and they could also inform the American Government of the attitude of other powers in matters where there are mutual interests.

"As the object in view in submitting this suggestion is the elimination of any possible cause of misunderstanding, it is considered appropriate to call attention to the attitude of

the United States in respect to secret treaties and agreements. It is not felt that arrangements previously made with respect to Turkish territory, which provide for the establishment of zones of special commercial and economic influence—such, for example, as the tripartite agreement of 1920—are consonant with the principle of the equality of economic opportunity. It is assumed that the Allied Powers will not now desire, and do not now intend, to carry into effect previous arrangements of this nature.

“The United States has no desire to take any action which might embarrass the Allied Powers in the proper effort to secure peace. It desires nothing which need conflict with the interests of other countries, if the principle of commercial opportunity for all nations is recognized at the outset.

“The United States has no intention of seeking for itself or its nationals a position of special privilege, but it desires to protect its rights and to assure the open door.

“Finally, it wishes to afford protection to its citizens who wish to continue the humanitarian work which has been carried on for generations in the Near East and is rendered more essential than ever by the present conditions.”

### ***The Near Eastern Problem***

The Turkish Assembly at Angora made known October 31 that it had passed sentence of death on the Turkish Ministers who signed the treaty of Sevres and others who were regarded as traitors to Turkey. The proscribed persons fled to Switzerland or sought refuge in the foreign legations.

The Sultan's Government asked the Angora Government by telegraph whether it would object to a delegation from the Constantinople Government at Lausanne. The Angora Assembly to whom the request was referred, promptly voted that the authority of the Constantinople Government was no more than that of a provincial administration. Kemal Pasha notified the Allies that Constantinople representatives were not wanted at Lausanne by the Angora Government. The Angora Government, speaking through its representative in London, Nihad Rechad Bey, protested vigorously against Secretary Hughes's characterization of the Turks (in his speech at Boston, October 30, he had spoken of their “atrocities” and “barbaric cruelty”), asserted that Turkey would never recognize again any right of extra territoriality, and made the following categorical answer to the Secretary's indictment:

"And I must make use of this opportunity to state briefly the truth regarding the 'atrocities and massacres' of which Mr. Hughes speaks.

"First, massacres did in fact take place in Turkey; but these butcheries were reciprocal.

"Second, the number of Turkish victims was certainly not inferior to that of the non-Turks.

"Third, religion has never played the smallest part in these atrocities, which are impelled by political and territorial considerations.

"Fourth, the present state of the relations between Mussulmans and Christians is due solely to intrigues and foreign trouble-making.

"Fifth, the question of minorities has been used as a pretext by certain powers to interfere in Turkish domestic affairs, with the aim of breaking up Turkey.

"These are the five principal points which must be remembered in order to judge fairly of Eastern affairs. The policy of intervention and intrigue, far from improving the fate of the minorities, has led to the sad situation of today. This policy is now bankrupt. It is therefore necessary to discover something new which will meet the needs and serve the interests of the Eastern populations—something which will not be solely dictated by the selfish interests of so-called protectors.

Nihad Rehad also gave to Edwin L. James of the New York Times the following categorical answer to Secretary Hughes's seven American demands (October 31):

"The American viewpoint is all the more easy to reconcile with the Turkish program because it comprises no ambition for special privileges or territorial acquisitions at Turkish expense.

"With regard to adequate guarantees for the protection of philanthropical, religious and educational institutions, these always enjoyed perfect security in Turkey. But having profited by their experience the Turks can no longer permit these institutions to be made into centers of agitation and propaganda harmful to the interests of the country, tending to nothing less than its destruction.

"On these as on the other points Turkey claims absolute sovereignty and treatment similar to that accorded any other free country. Consequently there is no call to Turkey to give special guarantees which are incompatible with her sovereignty. But she will willingly accept any reciprocal arrangements which

may conciliate the humanitarian work of these institutions with the sacred interests of the country.

"With regard to the establishment of appropriate contracts assuring commercial freedom without regard to special privileges, it must be pointed out that it is precisely against these special privileges that the Turks are in revolt and demand the abolition of the system of capitulations. Turkey accepts freedom of commerce for all foreigners on a basis of perfect equality.

"With regard to the protection of minorities, the Turks will accept all the measures imposed in other European countries containing important minorities, but they demand reciprocal treatment for Turkish minorities in the Balkan countries.

"I must add that Turkey will at the conference demand full investigation regarding responsibility for the events which wrecked the peaceful existence of minorities so that the following three principles, which are sufficient to assure the protection of Oriental peoples, will be once and for all adopted:

"Firstly, foreign Governments must no longer use the pretext of the protection of minorities in order to interfere in Turkish affairs with the view of satisfying their own political ambitions.

"Secondly, the minorities must no longer be used by foreign powers as a means of penetration.

"Thirdly, Turkey under these conditions must recognize the perfect equality of all races which make up her population.

"With regard to freedom of the Straits, this is admitted by the Turks provided the minimum of security is assured them which is necessary to protect Constantinople. The Turks thus consent to hand to the powers the key of their house, but they cannot permit the substitution of naval control for the military control which they exercise on the Straits. This, too, would be contrary to the very principles of Liberty demanded by the United States.

"Lastly, concerning adequate dispositions for permitting archaeological research work, I must confess I do not quite understand the reason for this request. Turkey having always been a country open to foreigners, every purely scientific mission can enter and work with entire freedom.

"I cannot let the opportunity afforded me pass without protesting against the religious agitations of certain American circles who go as far as advising the American Government to start a religious war in the twentieth century. It is regret-

table that distinguished American politicians like Senator Lodge take part in these medieval maneuvers against Turkey, who desires nothing better than to seek inspiration from the most modern forms of democracy and which she can find nowhere better than in the United States.

"If America wishes to serve the cause of humanity—and it is sure that she does—it is not with these methods she can succeed."

Orders went out from Angora on the 11th of November to French Catholic schools in Anatolia that they must teach the Turkish language, must have Turkish history and geography taught by Turkish professors, and must permit inspection by Turkish officials. It was obvious that similar requirements would be imposed by the new Government on Protestant schools in Turkey, including the American colleges at Constantinople and elsewhere.

Meanwhile Great Britain informed the Bulgarian Government (November 1) that the Allies would permit Bulgaria to present at Lausanne its plea for an outlet on the Aegean Sea.

### ***A Private World Tribunal of Arbitration***

On November 5 it was announced at Washington that the International Chamber of Commerce would proceed to establish at its headquarters in Paris, 32 rue Jean Goujon, a new international court of arbitration for the adjustment and settlement of commercial disputes.

Twenty-eight nations, including the United States, will through their Chambers of Commerce name representative business men to serve on the court, which will of course be independent of all governmental agencies.

### ***Angora Government (Turkey) Deposes Sultan and Declares Supremacy of Parliament***

November 1 the Grand National Assembly at Angora put an end, so far as it could, to the dual government of the Turkish Empire by declaring the political power of Sultan Mohammed VI. at an end, and assuming for itself the right to determine later the devolution of the Caliphate.

The Assembly declared that because the Sublime Porte had sided with the enemies of Turkey the sovereignty of the Sultan would now pass to the representatives of the nation, who would exercise executive and legislative powers and would



alone have the power to declare war and conclude peace. The old law of succession to the throne was set aside.

The formal action of the Assembly was expressed in the passage of this law:

"Article I. From March 16, 1920, and for always the Government of the nation is vested in the National Assembly. No other form of government will be recognized, and the people will recognize no personal authority like that in Constantinople.

"Article II. The Caliphate will continue to be exercised by the Osman family, but the Assembly will choose a Prince whose moral qualities, talent and conduct suit him for the choice. The Turkish Government will be the principal part of the Caliphate."

On November 3 the representative of Angora at Paris announced to the French Government and to the world that his Government regarded as null and void all acts of the Constantinople Government since March 16, 1920, and all treaties, conventions and contracts made by that Government since that date. This covers the treaty of Sevres.

On November 4 the Sultan's Grand Vizier announced that his Government would not send a delegation to Lausanne. The members of the imperial family are said to have met on the previous evening and agreed that none of them would accept a Caliphate stripped of all temporal power.

November 5 the authority of the Sultan's Government in Constantinople disappeared, or was confined to the palace in which he lived, which was protected by foreign troops, the Palace Guard having joined the populace in acclaiming Rafet Pasha Governor of the city under the National Assembly.

Rafet Pasha assumed responsibility for policing the city and asked the Allied generals to put an end to the Allied military occupation.

The Angora Government asked for the surrender of Turkish railways in Europe and Asia controlled by the Allies and instructed port authorities to refuse a landing to more than one Allied or American warship at any one time. Angora proposed that warships of all nations must ask for Turkish authorization to pass through the Dardanelles and must salute the flag of the National Assembly.

November 6 the official reply of the Allied Commissioners took this form:

"The Inter-Allied High Commissioners are firmly resolved to observe strict impartiality with regard to events which concern the internal policy of Turkey. The Allied generals will continue to apply the clauses of the Mudania convention and maintain order and security in the zones occupied by the Allied armies."

On the same day the French Foreign office declared that France and Great Britain were agreed to resist the Turkish demand for the Allied evacuation of Constantinople.

November 7 the Allied High Commissioners in Constantinople had authority from London, Paris and Rome to take any measure that they thought necessary, even to the proclamation of martial law.

November 9 the Allied High Commissioners demanded that the Angora Government withdraw its measures relating to customs, the Ottoman debt, and sanitary and other matters which are inconsistent with the capitulations and the agreements in the Mudros armistice of 1918. The Mudros armistice as a preliminary to the treaty of Sevres the Angora Government has refused to recognize at all.

On the 10th the French Government, with apparent reluctance, announced that it would accept the British proposal to postpone the beginning of the Lausanne Conference from November 13 to November 20. This decision, after some uncertainty, was finally confirmed on the 12th.

The postponement was the more necessary on account of the very critical situation of domestic politics in Italy, where, between October 24 and 30, about 450,000 armed and organized Fascisti were evidently preparing to seize the government. The King refused to sanction proposals of the Facta Ministry to declare martial law, which would have meant civil war. On the 30th Benito Mussolini, Fascista leader, at the head of thousands of his followers (90,000), took possession of the capital and the government. He at once installed a new ministry, met Parliament on November 16, and demanded and received from it authority to govern Italy, virtually as Dictator, for two years.

## CHAPTER XI.

**A MONTH OF CONFERENCES—LAUSANNE CONFERENCE, MOSCOW DISARMAMENT CONFERENCE, CENTRAL AMERICAN CONFERENCE, HAGUE CONFERENCE OF WOMEN, CONFERENCE OF JURISTS ON LAWS OF WAR, LONDON CONFERENCE OF PREMIERS ON THE REPARATIONS QUESTION AND ITS CONSEQUENCES.**

### ***Reparations***

The Reparations Commission ended its sojourn in Berlin on November 10, having been in session there from October 29 to November 9.

The experts attached to the Commission, after protracted discussions with German Ministers and others, submitted a majority and a minority report.

The latter, signed by Dr. Vissering of Holland and M. Leopold Dubois of Switzerland, was favored by Chancellor Wirth. It placed the main emphasis on the formation of an international financial consortium which could place 500,000,000 gold marks with the similar amount of gold reserve held by the Reichsbank, and use the resulting fund of 1,000,000,000 gold marks to stabilize the mark. A complete moratorium *must* accompany the operations of such a syndicate.

On the other hand, the majority report, signed by Robert H. Brand and John Maynard Keynes of England, Prof. J. W. Jenks of the United States, and Prof. Gustav Cassel of Sweden, placed the main emphasis on Germany's first doing something itself to help in stabilizing the mark.

This majority report, as significant as the findings of the bankers' committee, was published in the New York Times of November 10.

### ***Payment for American Army of Occupation***

The Allied Powers, Great Britain, France, Italy and Belgium, proposed in Washington, November 9, that an American expert be sent to Paris to discuss ways and means of settling American claims, amounting to over \$254,000,000 for former expenses of the American army at Coblenz. German payments had been made chiefly in kind, cattle, coal and building materials. It was questioned whether the United States would wish to receive payments in such form.

### ***Health Organization***

An expert committee of the League's Health Committee, representing Great Britain, France and Belgium, met in London, November 10-13, to collect information regarding the prevalence of sleeping sickness and tuberculosis among the native population in tropical Africa, and a second general conference for the standardization of sera and serological tests was held in Paris from November 20th to 26th. Twelve countries were represented, including Germany, Russia and the United States. The Conference collated results of research work and confirmed an agreement on the standardization of anti-diphtheria and anti-tetanus serum units. The League Epidemic Committee transferred Dr. Haigh to Greece to serve with Dr. Nansen's organization in connection with sanitary and epidemic questions in refugee camps. Dr. Norman White was commissioned by the League Health Organization to conduct a health inquiry in the chief ports of the Far East, from Singapore to Vladivostok, to examine into methods employed for control of epidemic diseases, for prevention of spread of infection by ships, and for uniformity in collecting and recording information.

### ***Duty of the United States to Other Nations***

November 10, on the eve of Armistice Day, President Harding issued what was called a message to the American people:

"The increasing enthusiasm with which our people join in the annual observance of Armistice Day," the President said, "enforces the conclusion that it is destined to be one of the notable anniversaries in our calendar, and indeed it well deserves to be all of that, for it marks the victorious culmination of our nation's most impressive participation in the affairs of the world. We shall not go amiss if we seek to make our observance of this anniversary, not only this year, but every year hereafter, an occasion for appraisal of our relationship to and participation in those wider concerns which involve the welfare of all mankind.

"I think we have come to realize, as a nation, that we cannot hope to avoid obligations and responsibilities, often arduous and burdensome, as part of the price we must pay for our fortunate relationship to the confraternity of the nations. It will be greatly to the national benefit, I am sure, if those who most intimately participated in the events of

the great world, and among them I, of course, include particularly the men of the overseas forces, shall always keep in mind the fact that their noble service to their country and civilization has imposed upon us a duty to recognize that henceforward we must maintain a helpful and sustaining attitude in all the broader relationships that involve the nations. Our first duty will, indeed, be to our own, but that duty cannot be adequately discharged in narrowness and selfishness.

"That we may be guided to a just judgment of the time and occasion for further proof of our interest in the common cause of humanity, and in choosing the methods whereby to discharge the obligation thus created, will be, I am sure, a fitting prayer for this armistice anniversary."

### ***Rumanian Debt to the United States***

Early in the fall the Rumanian Government arranged to refund its outstanding obligations with a loan of \$175,000,000, underwritten by a group of British, French and American banks. The United States Government interfered to hold up the loan, because its claims for more than \$39,000,000 against Rumania constituted a first lien upon Rumanian assets, in accordance with the terms under which the United States had lent \$36,000,000 to Rumania. Rumania contracted this debt after the close of the war, chiefly for foodstuffs and supplies.

As a result of Secretary Mellon's action a Rumanian Debt Commission reached Washington on November 11, empowered to make arrangements satisfactory to the Secretary and the Debt Refunding Commission.

### ***Boundaries of Hungary***

The Inter-Allied Territorial Commission, created under the treaty of Trianon to determine the new boundaries of Hungary, announced on November 12 that its task was completed. Small changes on the Austrian and Yugoslav frontiers had been made in favor of Hungary, returning to it about 35,000 acres; whereas other similar rectifications on the Czech and Ruman frontiers would be referred to the League of Nations.

### ***Allied Officers in Bavaria Attacked***

At Passau, in Bavaria, two French officers, representing the Allied Commission of Control, attempted to search for

concealed arms in a Reichswehr barracks. They were attacked and maltreated by a mob. The Council of Ambassadors, November 13, sent to the German Embassy in Paris a note for transmission to Berlin, demanding an apology for the incident at Passau, and for the actions of a similar nature at other places, especially at Ingolstadt and Stettin. The Council of Ambassadors informed the German Government that these actions had ended all questions concerning a withdrawal of the Allied Military Control. It also demanded inspection of the German naval enlistment list, which Germany had repeatedly refused to show.

### ***Far Eastern Republic Disappears***

The disappearance of the Japanese troops from Vladivostok and the reoccupation of that city by the "Red" forces of the Far Eastern Republic removed the main reasons for maintaining an appearance of independence at Chita.

On November 14, therefore, the Assembly of the Far Eastern Republic voted in favor of union with Soviet Russia, though retaining a measure of local autonomy. The formal termination of the fiction of independence seems to have occurred on the 17th, when fifteen delegates to the All-Russian Congress were elected.

### ***Representatives of the United States at Lausanne.***

November 14 it was officially announced at Washington that the United States would have at Lausanne, as "observers," Richard Washburn Child, our Ambassador to Italy, and Joseph C. Grew, our Minister to Switzerland. With them would be associated Rear Admiral Mark L. Bristol, our High Commissioner at Constantinople.

### ***Honduras and the League.***

It was announced in the press on November 15 that Honduras had that day officially informed the Secretariat at Geneva that Honduras would withdraw from the League of Nations.

### ***The Near East Problem—Flight of the Sultan—A New Caliph Chosen***

November 14, Premier Poincaré yielded to the British insistence that he and Lord Curzon and Premier Mussolini should meet in preliminary conference before going to Lau-

sanne and insure, if possible, a united Allied front against the Turks.

On the following day the High Commissioners in Constantinople received a note from the Angora Government, "accepting the presence of Allied troops within the limits established by the Mudania Convention," and demanding cessation of all interference with Turkish "internal administration."

On the same day, November 15, Sultan Mohammed VI wrote to General Harington that he considered his life to be in danger, and that he would like to place himself under British protection. Early on the morning of Friday, the 17th, and very secretly while the guard was being changed, the Sultan, with his ten-year-old son and six members of the Sultan's staff, fled in a car from a side door of the palace, went where the British Admiral's barge awaited him, and was rowed out to the British dreadnaught *Malaya*. The *Malaya* promptly got under way and started for Malta.

Meanwhile it was stated in Constantinople that the National Assembly at Angora had on the previous day, November 16, accused the Sultan of treason on the ground of his subserviency to the Allies, and had ordered him and his ministers to be tried. On the 18th the Turkish Assembly at Angora, acting on the theory that the Sultan, by putting himself under Christian protection, had forfeited the Caliphate, elected his cousin, Abdul Medjid, to be Caliph, but without any temporal power.

On the 18th at Paris, Premier Poincare and Lord Curzon with attendant experts, and the Italian Ambassador to France, held a five hours' conference and at the end announced that the Allies had reached a complete agreement on their policies at Lausanne.

### ***Tacna-Arica***

The Chilean Assembly approved the Tacna-Arica protocol without reservations on November 14 by a vote of 78 to 27, two not voting. This meant a rejection of reservations which had been favored by the Chilean Senate, and foreshadowed the concurrence of the Senate, in the House vote, which the Senate could not override without a two-thirds vote, and that the foes of the agreement were unable to command. The time allowed for ratification had expired on October 20, but it was probably the influence of the United States that led Peru to waive insistence on this limitation.

### ***Chinese Post Office***

On November 17 interchange of mails between British postal agencies in China, and the sending of foreign mails from them, ceased, in preparation for the surrender of all postal facilities in China to the native Government on November 30.

### ***Reparations***

The Reparations Commission in session on November 17 was informed by German delegates that Germany would be unable during the coming year to furnish more than about one-quarter of the wood deliveries demanded by the Allies under the treaty.

On the 15th it was announced that Germany was paying treasury notes to meet Belgian reparations claims in accordance with agreement, and that the French Government had demanded from Germany 50,000 tons of potash on reparations account.

### ***The Empire of Oil in Mexico***

The Chamber of Deputies in Mexico City on November 17 was violently excited by the reading of notes between Foreign Secretary Piani and George T. Summerlin, our Charge d'Affaires. In one note an alleged draft of a proposed Mexican law concerning titles to oil lands under Article 27 of the Constitution was characterized by our State Department as "entirely inadequate for the protection of rights legally acquired by North Americans."

These notes were read in the Chamber with a ringing declaration on behalf of President Obregon against alien censure of domestic legislation in Mexico. The immediate result was an outburst of resentment against the United States, a unanimous vote in the Chamber in support of President Obregon (which was possibly the only purpose of the publication), and a resolution by the Chamber that all Latin-American countries should learn of this Yankee attempt at imperialism. At Washington it was stated that opinions on proposed legislation had been expressed because it was intimated that comment would be welcomed. Secretary Hughes authorized the following statement:

"The officers of the Department of State were much surprised to learn of the expressions in Mexico that the United States Government was seeking to interfere in Mexico's inter-



nal affairs. This Government has not the slightest desire to do so. As Secretary Hughes said in his recent speech at Boston, it is not for us to suggest what laws Mexico shall have relating to the future, for, of course, Mexico must be the judge of her own domestic policy. What we have said as to the proposed legislation was with the understanding that the Mexican authorities would welcome an expression of our views.

"The Mexican regime desires recognition by the United States. The confiscatory policy of Mexico has stood in the way. We have said that when a nation has invited intercourse with other nations, has established laws under which investments have been lawfully made, contracts entered into and property rights acquired by citizens of other jurisdictions, it is an essential condition of international intercourse that international obligations shall be met, and that there shall be no resort to confiscation and repudiation.

"We have repeatedly said that we are not particular as to the form of the assurance against confiscation. We desire the fact.

"The Mexican authorities have said that they could not make a treaty to give this assurance against confiscation. They have said that the proper course was for the Mexican Congress to regulate the application of the Constitution of 1917 so as to preclude confiscation. We have said that we have not stood in the way of such legislation and should be glad to see it.

"Recently we were informed that a bill for this purpose had been drafted. But the provisions of this bill, according to our advices, were utterly inadequate to protect against confiscation of valid titles acquired under Mexican law prior to the Constitution of 1917.

"Of course, we did not desire to rest apparently satisfied with such procedure and permit the Mexican authorities to assume that recognition by this Government would follow the passage of such an inadequate measure.

"We were given to understand that the department's comment on the proposed measure would not be unwelcome.

"We had not the slightest intention of interfering in Mexican affairs, and have not done so. The Mexican Congress, of course, is entitled to pass its laws. But if they resort to legislation to interpret the Constitution of 1917 with the idea of precluding confiscation and obtaining recognition by this Government it is only fair that they should know the

views of this Government as to the efficacy of the legislation for that purpose.

"Had this Government in no way intimated its view before the legislation had been passed, there doubtless would have been complaint.

"We desired to maintain friendly relations with the Mexican people and it is in the interest of that friendship that we have hoped they would find a way of giving protection against confiscation.

"Upon that fundamental question the position of this Government remains precisely what it has been."

The Mexican Foreign Office promptly accepted this declaration, November 21, and the incident was closed.

### ***International Agreement on Marine Freights***

The press of November 19 carried summaries of regulations under which ocean freight can be shipped, which were adopted at a conference of twenty-four nations at Brussels in October. These regulations are recommended to each of the twenty-four for enactment by statute or by treaty.

### ***The New Caliph***

November 24, in a palace at Constantinople, Abdul Medjid was invested with the Prophet's mantle, received the other sacred relics, the Prophet's sword, flag and beard, and became the Supreme Caliph, the first one without secular power. Afterwards he occupied the imperial throne in the mosque of Mohammed the Conqueror, and for the first time in history on such an occasion prayers were said in Turkish instead of Arabic. It was announced on December 5 that the former Sultan, Mohammed VI, had accepted an invitation from Hussein, King of the Hedjaz, to make his home in Mecca.

### ***Health Organization of the League***

November 24 a second serological congress began sessions at Brussels. Twelve nations were represented, among them Russia, Germany and the United States. The representative of the latter was Dr. Augustus Wadsworth of the Rockefeller Institute and the New York City Department of Health.

Thirty-one reports of work done for standardizing serums were presented.

### ***Austrian Reconstruction***

November 26, the Austrian Parliament ratified the Geneva protocols and approved the measures necessary for carrying out the provisions of the League of Nations plan for the rehabilitation of Austria. Enough Social Democrats absented themselves to give the Government the required two-thirds majority.

### ***Reparations***

Monday, November 27, the press contained the story of a secret report made to Premier Poincare, under date of May 25, 1922, by M. Dariac, a Special Commissioner to study the economics and industry of the Rhine province. He recommended the adoption of active measures to levy on German property and customs, including the seizure of the Ruhr Valley mines and factories, the expulsion of German administrators from the Rhineland, and the establishment there of an autonomous Rhenish State under French and Belgian protection. He also discussed at length conditions in the Saar Valley, revealing clearly the intention behind the policy of France to secure, if possible, a pro-French decision in the plebiscite of 1935. The Rhineland part of this report was published in full in the Manchester Guardian of November 2, 1922, and the Saar Valley part of it in the Guardian of March 5, 1923.

### ***Council of Ambassadors***

December 1, for attacks on Allied officers in the Bavarian cities of Passau and Ingolstadt, the Council of Ambassadors ordered each of those towns to pay a fine of 500,000 gold marks before December 10 and to remove their Burgomasters. In case of default the Allies will collect 1,000,000 gold marks from Bavarian Government property in the Palatinate. For these disorders and similar occurrences at Stettin the Bavarian and German Governments must offer apologies.

On the 10th the Berlin Government paid the money at Paris, repeated its apology, said that the Bavarian Government had no direct responsibility in foreign affairs, and that the Burgomasters were not subject to control from Berlin or Munich.

Meanwhile the Bavarian Government was saying that Allied Commissions could not be protected unless the police were advised beforehand of their visits.

On the 14th the Council of Ambassadors voted to refuse

the money payment from Berlin unless the Bavarian Government conformed to the requirement of other penalties.

#### ***Japanese Evacuation of Shantung.***

December 1 at Tokio, China and Japan signed agreements whereby all Japanese troops in Shantung, including Kiaochau, would be withdrawn on December 10.

On the 6th supplementary agreements were signed whereby China agrees to pay Japan 40,000,000 yen for the Shantung railroad. The payment will be made in fifteen-year Chinese Treasury notes, bearing interest at 6 per cent

In addition, China pays Japan 16,000,000 yen for all public properties located in the Kiaochau district.

Civil and military administration will be turned over to China on December 10, while the Shantung Railway will be transferred to Chinese authority on January 1.

China, as a direct result of the Washington conference, thus regains control of the territory which she lost when it was seized by Germany in 1898.

Meanwhile bandit troops in Shantung gathered around Tsing-tao, with the avowed purpose of forcing the new Chinese officials to employ them as soon as the Japanese left on the 10th, a design in which they seem to have been successful. One thousand of the bandits were incorporated into the Tsing-tao police force, and the Chinese Government paid them \$100,000 to refrain from violence after the departure of the Japanese troops.

Then on the 10th the Chinese flag was raised in Tsing-tao for the first time in twenty-four years, a Chinese gunboat in the harbor fired a salute, and Police Headquarters were occupied by Chinese officials.

#### ***French Ratification of Naval Limitation Treaty.***

December 2; by a vote of 26 to 16, the Foreign Affairs Committee of the French Chamber of Deputies declined to recommend unconditional ratification of the Naval Limitation Treaty. The majority favored the adoption of some reservations, and objected to placing France on the same footing as that of Italy.

#### ***Moscow Disarmament Conference.***

At Moscow on December 2 there began a conference called by Russia and including in addition Finland, Estonia,

Latvia, Lithuania, and Poland, to consider arbitration agreements, a compact of non-aggression, and a plan for progressive reduction of forces. Rumania declined an invitation to attend, because Russia would not recognize Rumania's possession of Bessarabia.

Litvinov, for Russia, proposed:

First—To reduce the Russian army within eighteen months to 200,000 men, if the other States would agree to proportionate reductions.

Second—To limit military budgets to a fixed sum per soldier.

Third—To create a neutralized zone along the whole Russian border, like the one recently agreed upon with Finland.

Litvinov said Russia could not propose naval limitations, because its fleet "is already reduced to one-quarter of its 1917 strength."

The conference was in session for more than two weeks, discussing drafts of proposed agreements. In general, the Russians wanted to agree at once on reduction of forces, while the other States were unwilling to talk about disarmament until after treaties of arbitration and non-aggression had been adopted. Over this difference the Conference was finally wrecked. The Russians claimed that Poland spoiled the Conference because Poland, inspired by France, would not diminish its military strength. In the Conference, Poland offered to reduce its army to 280,000 men, whereupon the Russians produced a Polish report to the League of Nations claiming that its army was only 260,000. On the other hand, the Polish representatives attributed the failure of the Conference to a Russian demand for a reciprocal control over the size of armies and military budgets.

### ***Central American Conference.***

At the invitation of the United States Government, a Conference of the five Central American republics met on December 4 in the Pan-American Union Building in Washington.

Since the United States Government accepted (November 23) an invitation from the five Central American States to sit with them, the Conference was really a Six-Power Conference.

Secretary Hughes and Sumner Welles were the representatives of the United States, and the Secretary described the Conference as, in a sense, a continuation of the policies proclaimed at the Washington Conference of 1921.

The chief purposes of the Conference were the formulation of an agreement for limitation of armaments, the revival, in some form, of the Central American International Court which was wrecked in 1917 by the Bryan-Chamorro treaty (United States and Nicaragua), and any other matters that seem appropriate to the maintenance of peace in Central America. The Conference was halted at the outset by a proposal from the chief of the Honduran delegation to renew the Central American Union, whereupon the delegates were obliged to ask their home Governments for instructions. Salvador and Honduras alone favored immediate consideration of the subject of union.

The Conference was also delayed by dissension in Costa Rica, which caused the Costa Rican delegates to resign. Their successors were present on the 18th, when the Conference resumed work, after voting that the question of union should be studied by Central American Commissions and referred to a Central American Congress, which should assemble in January, 1926.

The end of the year found the Conference in full tide of discussion.

### ***Advisory Commission on Anthrax.***

This Commission held its first meeting in London, December 5-14, 1922. Its duty was to inquire into:

- (a) The disinfection of wool and hair infected with anthrax spores;
- (b) The prevention of infection among flocks;
- (c) The problem of dealing with infection by anthrax from hides, skins, and other materials.

Twelve Governments had been invited to name experts as members of this Commission, and all accepted, including the United States, which appointed a member to serve in "an unofficial and advisory capacity." The members in attendance were: Sir Thomas Oliver, M. D., Australia; Dr. Glibert, Belgium; Mr. P. Boulin, France; Dr. Frey, Germany; Sir William Middlebrook, Great Britain, chairman; Lieut Col. Hutchinson, I. M. S., India; Prof. G. Loriga, Italy; Dr. S. Kanai, Japan; Mr. R. W. Dixon, M. R. C. V. S., South Africa; Mr. S. Ribbing, Sweden; Dr. M. Dorset, United States. Prof. J. M. Roca, Spain, sent excuses and regrets. The Commission defined the principles for a new draft convention concerning disinfection of wool and hair for consideration by the Gov-

erning Body and the next Labor Congress. Brush-making, upholstering and textile industries are the industries in view. It was agreed that pigs' bristles should be exempt from disinfection, also that discrimination should be made in favor of areas where the danger of anthrax infection is slight.

The Commission next proceeded to examine the question of the prevention of infection by anthrax from hides and skins, and unanimously adopted the following resolution:

The Commission is of opinion that in most countries the principal danger of industrial anthrax arises in the manipulation of hides and skins and recognizes the impossibility of securing at the present time complete disinfection to protect against this danger.

The Commission, therefore, recommends that regulations be laid down in the different countries having for their object the protection of the workers and the soil against infection by anthrax from hides and skins.

The Commission further suggests that the International Labor Office, in conjunction with the Health Committee of the League of Nations, should organize international research and invite nations and organizations chiefly interested to undertake such research in their respective countries.

The Commission considers that in view of the fact that all countries using infected materials will benefit by the discovery of a satisfactory process of disinfection, it is desirable that the Governing Body should take into consideration the possibility of finding grants in aid of research undertaken for that purpose.

The Commission then considered the question of preventing anthrax infection among flocks. It was agreed that this question was primarily within the competence of the International Institute of Agriculture at Rome, and the Governing Body was asked to take it up with the Institute.

Towards the end of its session the Commission examined measures for the protection of workers handling animal products such as bones and horns and hoofs, and adopted the following resolution:

The Commission is of opinion that horns and hoofs should be sterilized before being subjected to any industrial operation.

In the case of bones, the treatment to which they are subjected is generally equivalent to a disinfecting process. Nevertheless, in cases where such disinfection is not carried out, the different countries should be recommended to pre-

scribe protective measures in the same way as for hides and skins.

The Commission also concluded that the Advisory Commission on Industrial Hygiene should propose to the Governments regulations for the direct protection of workers in tanneries and tanning works.

#### ***Hague Conference of Women.***

On the 7th of December the Women's International League for Peace and Freedom opened at The Hague an international conference under the presidency of Jane Addams.

The Conference was in session three days. It indorsed the principle of disarmament, condemned the proposed occupation of the Ruhr Valley, and approved the following resolutions demanding the adoption of new peace treaties. The resolutions were proposed by the British and French delegations:

"This Conference, composed of many international and national organizations, and organized by the Women's International League for Peace and Freedom, declares that the present terrible state of Europe and its reactions on the rest of the world are the result not only of the World War, but also in large measure of the existing peace treaties.

"These treaties are contrary to the armistice terms and Wilson's fourteen points. They are inconsistent with the spirit of the League of Nations as expressed in the Covenant, and do now in fact 'endanger the peace of the world (divide Article XIX of the Covenant). They have proved disastrous alike to political and economic reconstruction on the basis of international co-operation and satisfaction of international interests.

"They have recognized and created animosities and suspicions, making disarmament on land and sea and in the air increasingly difficult and the abolition of chemical and bacteriological warfare practically impossible.

"They have retarded the establishment of a League of Nations, universal, democratic and fully effective.

"Therefore, this conference demands a new peace, based on new international agreements, and its members resolve to work unremittingly by every means in their power to bring about the convening of a world congress through the instrumentality of the League of Nations, or of a single nation, or of a group of nations to achieve a new peace."



### ***Eastern Galicia.***

It was announced in London, December 8, that representatives of the Eastern Galician Ukrainians had asked the law firm of Wilson & Colby to represent their cause before the Council of Ambassadors and the League of Nations. Eastern Galicia (territory of Lemberg), with 3,500,000 people, 75 percent of whom are Ukrainians, was left by the peace treaties under the nominal temporary control of the Council of Ambassadors, but the actual Government of the province was entrusted to Poland. The Ukrainians assert that they are oppressed by the Polish officials, and that their students are not permitted to enter the University of Lemberg, unless they take an oath of allegiance to Poland.

On the 13th it was announced in the press that ex-President Wilson would retire from the law firm of Wilson & Colby on December 31.

### ***London Conference Reparations.***

The Conference of Premiers, formerly Supreme Council, met in London, December 9, to discuss reparations and the French proposal to occupy the Ruhr Valley.

Lloyd George, having stated in the press under that date that the French Government intended to use reparations as an excuse for annexing to France the whole left bank of the Rhine, Premier Poincare issued a long and spirited reply, which began with these words:

"There has never been in France a Government Minister or even a Senator or Deputy capable of making such an unreasonable plan or wishing to subject German populations to French domination. And if Lloyd George really believes there exists a party in France whose program includes annexation of the left bank of the Rhine, he is charging against a windmill."

In the Conference Poincare offered in behalf of France acceptance of a two-year moratorium for Germany provided satisfactory guarantees were forthcoming. These guarantees embraced measures for economic control of the Rhineland industries and partial occupation of the Ruhr district with a division of soldiers to collect customs on the coal output. M. Poincare did not consider that this program would be regarded as military action against Germany.

Premier Theunys of Belgium offered a plan for a two-year moratorium, reduction of the total indemnity to about

35,000,000 gold marks, and a loan to Germany, secured by the wealth of the Reich, and accompanied by rigid economies. Premier Mussolini approved the Belgian proposal, but wanted the whole question of interallied debts reviewed. Premier Bonar Law said that the Balfour note no longer existed for the British Government and that he was free to consider the whole question.

"I am prepared to reconsider the question of cancellation of debts," he went on, "if such cancellation would insure a settlement satisfactory to the British Government."

The British Prime Minister briefly outlined the kind of settlement he desired—a moratorium sufficient for Germany to re-establish her finances and credit and stabilize the mark, no military action of any character by the French, and a reduction of the indemnity to between 30,000,000,000 and 40,000,000,000 gold marks.

The German Government also presented an unpublished plan, supposed to be chiefly a discussion of possible loans, with a moratorium. It was rejected by the Premiers on the 10th, as, in the language of Bonar Law, "vague and entirely unacceptable."

Premier Bonar Law refused to consent to the occupation of the Ruhr and the administration of the Rhineland, saying that these were not "economic guarantees" but "penalties."

This refusal being emphatically repeated on the next day, the 11th, and M. Poincare being equally determined to insist on the occupation of the Ruhr as a "protective guarantee" that German obligations would be met, the Conference adjourned on the 11th to meet again in London on January 2, 1923.

### ***Conference of Jurists on War Laws.***

December 11 the International Commission to revise the laws of war met in the Peace Palace at The Hague. John Bassett Moore was chosen chairman.

### ***Russian Reuniting.***

On December 16 the Ukrainian Congress followed the example of the Far Eastern Republic, and voted to unite with Moscow under one sovereign Federal Government. It is known that White Russia and the three republics in the Trans-Caucasian Federation, Georgia, Armenia and Azerbaijan, intend to

adopt the same course. These purposes were realized in the adoption at Moscow, December 30, 1922, of a new treaty of confederation, creating an "Alliance of Socialist Soviet Republics." The text of this treaty is in *Current History* for March, 1923, pp. 953-955.

### ***Saar Valley Commission.***

The report of the Saar Valley Commission for the last half of the year 1922 deserves special consideration, because of the relations between the Commission and the newly elected Advisory Council. The report is dated December 16. M. Rault announces the appointment in October of a Technical Committee of nine residents of the Valley.

The first meeting of the Advisory Council, in July, was devoted to the discussion of Rules of Procedure, which were finally adopted by the Commission, October 31. The second meeting of the Advisory Council began on November 15.

Various members of the Advisory Council sent in to the Governing Commission since the first meeting sixty suggestions, motions, questions and interpellations. The Governing Commission has had each considered and several of the draft decrees prepared by the Commission are based, in varying degrees, on these texts. The adoption of these proposals as submitted would, however, have meant an almost complete reconstruction of the fiscal, legislative and administrative systems in the Saar Basin; and the Commission, in view of the role given to the Advisory Council, felt that it could not grant to that body the right of initiative and interpellation. It has, therefore, not replied to these numerous proposals.

Nine draft decrees have been submitted to the Technical Committee and to the Advisory Council, which was still meeting at the date of the preparation of this report. These decrees deal, among other things, with the following subjects: Legislation concerning houses and leases; reorganization of a special tribunal dealing with cases of speculation; a bonus in francs to persons entitled to old age pensions; insurance concerning disablement and old age; procedure regarding expropriation in view of the construction of Customs Houses on the Franco-Saar frontier; official holidays in the Territory; formula for taking of oaths at the Tribunals; increase of fines in courts on account of the depreciation of the mark; and, for the same reason, an extension of the powers of local courts.

Up to December 15th the Advisory Council had given its

opinion with regard to three. It made no observation with regard to two: concerning insurance with regard to disablement and old age, and concerning the bonus in francs. They were, in consequence, adopted by the Governing Commission. An unfavorable opinion was given regarding the one dealing with the housing legislation, but M. Rault observed that the essential scheme of that draft was embodied by the Advisory Council in its own recommendation.

M. Rault also noted at length the serious difficulties, sometimes causing short strikes and even demonstrations, due to the position of francs and marks side by side in the valley and the fluctuation in the value of the mark.

### ***Albania.***

The League Commissioner for Albania, Prof. J. J. Sederholm, Finland, reported under date of December 18 that a dispute over an Italian postoffice in Durazzo, maintained there by Italy since the time of its military occupation of the city, was provisionally settled, and negotiations between the two States were begun which should lead to Albanian administration of all postal facilities within its own borders. The Italian postoffice in Durazzo was naturally regarded by Albanians as an impairment of Albanian sovereignty. Greece had recognized the independence of Albania in July, but there was, as yet, no exchange of diplomatic representatives. The boundary line between Greece and Albania was not yet settled, and a neutral zone was still occupied by Greek and Albanian troops.

The chief root of antagonisms along this frontier was the educational and ecclesiastical affiliations of the Orthodox Church. This peril was now being removed by the Orthodox Albanians themselves, for in August they had asked the Patriarch at Constantinople to approve the formation of an autonomous Albanian Orthodox Church. The Patriarchate had assented, and now had sent an exarch to arrange details of separation from the Orthodox Greek Church.

Professor Sederholm referred to the report on economic conditions in Albania made by Prof. Albert Calmes of Luxembourg, the expert economist sent to Albania in August and September by the League of Nations. Professor Sederholm referred also to the financial adviser whom the Albanian Government had asked the League to send, and said that the Government had also requested the League, through him, to name four more advisers for Justice, Education, Public Security, and Public Works.

### ***Commission on Intellectual Co-operation.***

This Commission met in the form of three sub-committees in Paris, December 18-23. The sub-committee on Intellectual Property agreed that Professor Ruffini should draft a report, which might become the basis of a Convention, on the legal principles for protection of scientific property, with special reference of extending copyright to cover scientific theories and discoveries. The sub-committee on Bibliography discussed international collaboration for analytical bibliography, and the foundation of one or more international libraries. The University sub-committee discussed the creation of an Inter-University Information Bureau, an international exchange of lecturers, international co-operation in modern language teaching, and the work of the International Students' Confederation and the International Association of Catholic Students ("Pax Romana").

### ***Ex-German Cables.***

It was announced on the 19th that the Italian Government had let the contract for a new cable from Italy to the Azores, where it can establish direct communication with the United States. This will remove the chief cause of long delay in allocating former German cables, although Portugal is still refusing landing facilities at the Azores for a new cable from Germany, which is also intended to give Germany direct connection with the United States.

### ***Belgium Ratifies Washington Conference Treaties.***

On the 19th the Belgian Chamber approved the Nine-Power Chinese Treaty and the Chinese Customs Treaty.

### ***Reparations.***

On the 15th the French Chamber of Deputies approved M. Poincaré's policy concerning reparations and guarantees of payment.

On the 21st he defined his purposes more clearly to the Senate, which supported him unanimously. Taking as a first basis for his argument the present state of Germany, he insisted that it was a direct result of the policy of the industrial leaders of the country, who had enriched themselves at the expense of the people.

"Germany," he said, "has above all desired to export at

low prices. She has systematically ruined herself in order to escape the payment of reparations. The schedule of payments of May, 1921, has become a dead letter. All schemes which have been framed and approved for payment in kind have been evaded, and almost nothing has come of them through the deliberate dilatoriness of our debtors."

"Is this a moment for granting a new moratorium without any guarantee? The past has made us mistrustful. Germany must be placed under effective financial control. France can wait no longer. By the end of the year France would have paid a hundred billion francs to German account, and as a result her budgetary resources and her finance are slowly slipping to ruin."

A little later, confronted with the suggestion that the whole difficulty might be referred to the League of Nations, M. Poincaré was unwilling to consider such a solution. He was equally unfavorable to plans emanating from private sources (Chambers of Commerce) for the appointment of a new Commission to determine Germany's ability to pay. Poincaré held fast to the Treaty of Versailles.

December 26 the Reparations Commission met in Paris, and by vote of France, Belgium and Italy against Great Britain, declared Germany in voluntary default in deliveries of wood for 1922. The French claimed that for delivery during 1922 France ordered of Germany on reparations account 55,000 cubic meters of sawn wood and 200,000 telegraph poles. Of this amount only 35,000 cubic meters of wood and 65,000 telegraph poles had been delivered. Germany claimed to have delivered 60 percent of its schedule. Germany announced that it was unable to send more now, that it might make the delayed deliveries by March 31, and that it must reduce future deliveries.

Germany also had declared itself unable to meet a French demand for 60,000 tons of nitrogen for use in manufacture of fertilizers.

In a communique covering its decision in regard to the delinquency in timber, the Reparations Commission says:

"1. The Commission unanimously decided that Germany had not executed in their entirety the orders placed under Annex 4, Paragraph 8, of the Treaty of Versailles, for delivery of timber to France in the year 1922.

"2. The Commission decided by a majority, the British delegation recording an adverse vote, that this failure in

execution constituted default by Germany in performance of her obligations within the meaning of Paragraph 17, Annex 2.

"3. The Commission decided by a majority, the British delegate abstaining from voting, to remind the Governments concerned that in its letter of March 21, fixing payments to be made by Germany in the current year, the Commission stated that 'If the Reparations Commission finds in the course of the year 1922 that the deliveries in kind called for by France or her nationals or by any other power entitled to reparation or its nationals, in accordance with the procedure laid down by the treaty or in virtue of the procedure approved by the Reparations Commission and within the limits of the figure above indicated, have not been effected by reason of obstructions on the part of the German Government or on the part of its organizations or by reason of breach of the procedure of the treaty or of the procedure approved by the Reparations Commission, equivalent cash payments shall be exacted from Germany at the end of 1922 in replacement of the deliveries not effected.'

"In accordance with the terms of Paragraph 17, to which reference is made above, the commission has notified the default thus declared to the Governments concerned."

On the 30th it was authoritatively announced in London that Mr. Bonar Law would base his proposals at the Paris Conference on January 2 upon these principles:

First—Any reparations program agreed upon in Paris must be a final one which will put a definite end to the wrangling of the last three years and give an opportunity for the general economic reconstruction of Europe.

Second—A moratorium for Germany is essential for a period of from two to four years, in which time Germany must balance her budget, stabilize the mark and undergo general financial reform under allied supervision, but not under allied receivership.

Third—Reduction of the reparations total to approximately £2,500,000,000, which, if not forthcoming after a fair chance is given Germany to make good her obligations, will be obtained by an ascending scale of economic penalties.

On the 31st the German Chancellor, Wilhelm Cuno, in a speech at Hamburg revealed that his Government had recently, through the medium of a neutral power, proposed to the French Government a peace compact by which the four powers directly interested in the Rhine should agree that no one of them should

make war on any of the others without popular authorization obtained by a referendum. He said that he wished thus to dispose of the French fear that Germany is arming for a new war. He regretted that Premier Poincare had rejected this proposal. The reason for rejection was that such an arrangement would be inconsistent with the provisions of the Constitution of France.

The last word from Paris, as the year closed, foreshadowed the expectation that the Paris Conference on January 2 would be asked to sanction the attempt of France to collect for itself indemnities from the control of customs in the Rhine and Ruhr territories of Germany.

In January, 1919, the Peace Conference began its work.

In January, 1920, the Treaty of Versailles was put in force and the League of Nations began.

In January, 1921, the Supreme Council fixed the total of reparations at 226,000,000,000 gold marks, payable in forty-two years.

In January, 1922, although reparations had been reduced to a total of 132,000,000,000 gold marks, the Supreme Council at Cannes granted to Germany a partial moratorium.

In January, 1923, the Paris Conference must take cognizance of German failure to meet the terms of that moratorium, and decide how a new moratorium could be granted.

#### ***Borah Proposes Economic Conference.***

On December 21 and 22 in the Senate at Washington, Senator Borah proposed an amendment to the Naval Appropriation Bill, requesting the President to call an International Economic Conference.

The text of the proposed amendment is as follows:

"That the President is authorized and requested to invite such Governments as he may deem necessary or expedient to send representatives to a conference which will be charged with the duty of considering the economic problems now obtaining throughout the world with a view of arriving at such understandings or arrangements as may seem essential to the restoration of trade and to the establishment of sound financial and business conditions, and also to consider the subject of further limitation of armaments with a view of reaching an understanding or agreement upon said matters both by land and by sea, and particularly relative to limiting the con-



structions of all types and size of sub-surface and surface craft of 10,000 tons standard displacement or less, and of aircraft."

The last half of this resolution, relating to naval disarmament, was originally a House amendment to this appropriation bill. It was here accepted by Senator Borah, but was opposed by Senator Lodge on the ground that France and Italy had not yet ratified the Naval Limitation Treaty of 1922, and that it was therefore useless to propose additional limitations which France had opposed at the Washington Conference.

The nations that Senator Borah was said to have in mind in his resolution were, besides the United States: France, Great Britain, Germany, Japan, Italy, and Belgium; which means the Supreme Council plus Germany. Senator Borah said:

"The question of reparations is the key to the European situation. If that cannot be adjusted, nothing can be adjusted. It may be possible in a conference of this kind to break the deadlock on that subject. If there is a better program anywhere around, I should be glad to waive this suggestion."

On the 24th, after his proposal had been sharply criticized by Senator Hiram Johnson (December 23). Senator Borah issued a statement in which he denied that participation in such a conference would be inconsistent with former American policies, and added:

"The problem is here. If it is not adjusted it will mean greater suffering in Europe and vast loss to our producers, and it may mean another war. If the worst should come, we might be going to Europe on another mission than that of conferring. I repeat, the only question is, How can we help—what is the best method? Upon that I have an open mind.

"Europe owes us \$11,000,000,000. Some people seem to be exercised over the cancellation of this debt. I am far more exercised over Europe's inability to pay. I haven't any fear about the open cancellation of this debt. But no child now living will see its payment if the question of reparations is permitted to go from bad to worse until another war takes place.

"We are interested in the reparations questions, therefore, because we are interested in the payment of what Europe owes us. We are also interested in it because we want European markets opened to our farm products. Millions are starving and dying in Europe for the products which are rotting upon

our farms. Shall we say that these matters do not concern us? Nothing concerns us more.

"But, after all, it serves to arouse and direct public opinion, and, after all, nothing is more wholesome and essential in dealing with these problems than well informed public opinion. If the disarmament proposition had been taken up through correspondence as through diplomatic channels, how far would you have gotten? Now we have reached a point where we are to lose all advantages gained at that conference unless a solution of the reparations problem is found. We are directly, immediately, vitally concerned. It involves millions to our people, and it may involve another conflict. I am not overfond of conferences, but there are times when they are helpful. This seems to be one of those times."

The Senate debate over the Borah amendment drew forth a letter from President Harding to Senator Lodge, which was read in the Senate on the 28th as follows:

The White House,  
Washington, Dec. 27, 1922.

My Dear Senator Lodge:

Replying to your inquiry relative to the proposed amendment to the pending naval bill, authorizing and requesting the President to call an economic conference to deal with conditions in the war-torn nations of Europe, I write to say that I know of no prohibition against such an expression on the part of Congress, but I do frankly question the desirability of such an expression. I think it is undesirable because of false impressions which may be conveyed thereby to Europe, and even more undesirable because of the wrong impression it conveys to our own people.

On the face of things it is equivalent to saying that the Executive branch of the Government, which is charged with the conduct of foreign relations, is not fully alive to a world situation which is of deep concern to the United States.

As a matter of fact the European situation has been given most thorough and thoughtful consideration for many months. Without questioning the good faith of the proposal, I am very sure it would have been more seemly, and the action of the Congress could be taken much more intelligently, if proper inquiry had been made of the State Department relative to the situation in which we are trying to be helpful.

Of necessity, the communications of the State Department relative to delicate matters among nations cannot be **bulletined**

from day to day, but the situation is never withheld from members of Congress who choose to inquire for confidential information in a spirit of co-operation. Such inquiry would have revealed the futility of any conference call until it is understood that such a conference would be welcomed by the nations concerned, within the limits of discussion which the expressed will of Congress compels this Government to impose.

In ratifying the treaty of peace with Germany, the Senate made a reservation that the United States should not be represented on the Reparations Commission without consent of the Congress, and no such consent has been given. Moreover, in creating the World-War Debt Funding Commission, that body was restricted to explicit terms for rates of interest and ultimate time of payment. If Congress really means to facilitate the task of the Government in dealing with the European situation, the first practical step would be to free the hands of the commission so that helpful negotiations may be undertaken.

It is quite generally accepted that the adjustment of the question of reparations must underlie any economic rehabilitation of Europe, and reparations cannot be settled without the consent of Governments concerned. The United States cannot assume to say to one nation what it shall pay in reparations nor to another nation what it shall accept.

In discussions with foreign Governments, the previous Administration and the present Administration have insisted that the question of European debts to the United States is distinct and apart from the question of reparations, but European nations hold a contrary view, and it is wholly inconsistent to invite a conference for the consideration of questions, in dealing with which the Government is denied all authority by act of Congress.

So far as the limitation of land armaments is concerned, there seems to be at this time no more promising prospect of accomplishment than when the conference was held in Washington a year ago. Here, again, I venture to warn the Senate against the suggestion to our own people or a gesture of promise to the world which cannot be fulfilled until the nations directly concerned express their readiness to co-operate to such an end.

With respect to a limitation of auxiliary types of naval craft, which are not limited by the present naval treaty, it is to be said that such an agreement is much to be desired, whenever practicable, but we may reasonably postpone our further endeavors along that line until the agreements made at the

Washington Conference secure the final sanction of all Governments concerned.

Very truly yours,

WARREN G. HARDING.

### ***Secretary Hughes States the Policy of the Administration Concerning Reparations.***

On the 29th, in connection with the President's letter, it was authoritatively declared in the Senate that for some months the Administration had been making diplomatic efforts to be helpful in the European crisis, and upon these assurances Senator Borah withdrew his proposed amendment. The fullest disclosure of the foreign policy of our Government was made in a speech by Secretary Hughes before the American Historical Association at New Haven, Conn., on the 29th. The paragraphs relating to this subject of economic settlements were as follows:

"The economic conditions in Europe give us the greatest concern. They have long received the earnest consideration of the Administration. It is idle to say that we are not interested in these problems, for we are deeply interested from an economic standpoint, as our credits and markets are involved, and from a humanitarian standpoint, as the heart of the American people goes out to those who are in distress. We cannot dispose of these problems by calling them European, for they are world problems and we cannot escape the injurious consequences of a failure to settle them.

"They are, however, European problems in the sense that they cannot be solved without the consent of European Governments. We cannot consent for them. The key to the settlement is in their hands, not in ours.

"The crux of the European situation lies in the settlement of reparations. There will be no adjustment of other needs, however pressing, until a definite and accepted basis for the discharge of reparations claims has been fixed. It is futile to attempt to erect any economic structure in Europe until the foundation is laid.

"How can the United States help in this matter? We are not seeking reparations. We are indeed asking for the reimbursement of the costs of our army of occupation; and with good reason, for we have maintained our army in Europe at the request of the Allies and of Germany and under an agree-

ment that its cost, with like army costs, should be a first charge upon the amounts paid by Germany. Others have been paid and we have not been paid.

"But we are not seeking general reparations. We are bearing our own burden and, through our loans, a large part of Europe's burden in addition. No demands of ours stand in the way of a proper settlement of the reparation question.

"Of course, we hold the obligations of European Governments, and there has been much discussion abroad and here with respect to them. There has been a persistent attempt ever since the Armistice to link up the debts owing to our Government with reparations or with projects of cancellation. This attempt was resisted in a determined manner under the former Administration and under the present Administration.

"The matter is plain enough from our standpoint. The capacity of Germany to pay is not at all affected by any indebtedness of any of the Allies to us. That indebtedness does not diminish Germany's capacity, and its removal would not increase her capacity.

"For example, if France had been able to finance her part in the war without borrowing at all from us, that is, by taxation and internal loans, the problem of what Germany could pay would be exactly the same.

"Moreover, as far as the debtors to the United States are concerned, they have unsettled credit balances and their condition and capacity to pay cannot be properly determined until the amount that can be realized on these credits for reparations has been determined.

"The Administration must also consider the difficulty arising from the fact that the question of these obligations which we hold, and what shall be done with them, is not a question within the province of the Executive. Not only may Congress deal with public property of this sort, but it has dealt with it.

"It has created a commission and instead of giving that commission broad powers such as the Administration proposed, which quite apart from cancellation might permit a sound discretion to be exercised in accordance with the facts elicited, Congress has placed definite restrictions upon the power of the commission in providing for the refunding of these debts.

"But what is our attitude toward the question of reparations, standing as it does as a distinct question and as one

which cannot be settled unless the European Governments concerned are able to agree?

"We have no desire to see Germany relieved of her responsibility for the war, or of her just obligations to make reparation for the injuries due to her aggression. There is not the slightest desire that France shall lose any part of her just claims. On the other hand, we do not wish to see a prostrate Germany. There can be no economic recuperation in Europe unless Germany recuperates. There will be no permanent peace unless economic satisfactions are enjoyed. There must be hope and industry must have promise of reward if there is to be prosperity. We should view with disfavor measures which instead of producing reparations would threaten disaster.

"Some of our own people have suggested that the United States should assume the role of arbiter. There is one sufficient answer to this suggestion, and that is that we have not been asked to assume the role of arbiter. There could be no such arbitrament unless it were invited, and it would be an extraordinary and unprecedented thing for us to ask for such an invitation.

"I do not think that we should endeavor to take such a burden of responsibility. We have quite enough to bear without drawing to ourselves all the ill feeling which would result from disappointed hopes and a settlement which was viewed as forced upon nations by this country, which at the same time is demanding the payment of its debts.

"But the situation does call for a settlement upon its merits. The first condition of a satisfactory settlement is that the question should be taken out of politics. Statesmen have their difficulties, their public opinion, the exigencies which they must face.

"It is devoutly to be hoped that they will effect a settlement among themselves and that the coming meeting at Paris will find a solution. But if it does not, what should be done? The alternative of forcible measures to obtain reparations is not an attractive one. No one can foretell the extent of the serious consequences which might ensue from such a course.

"Apart from political results, I believe that the opinion of experts is that such measures will not produce reparation payments, but might tend to destroy the basis of those payments which must be found in economic recuperation.

"If, however, statesmen cannot agree and such an alternative is faced, what can be done? Is there not another way out? The fundamental condition is that in this critical moment

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"Apart from political results, I believe that the opinion of experts is that such measures will not produce reparation payments, but might tend to destroy the basis of those payments which must be found in economic recuperation.

"If, however, statesmen cannot agree and such an alternative is faced, what can be done? Is there not another way out? The fundamental condition is that in this critical moment



the merits of the question, as an economic one, must alone be regarded.

"Sentiment, however natural, must be disregarded. Mutual recriminations are of no avail. Reviews of the past, whether accurate or inaccurate, promise nothing. Assertions of blame on the one hand and excuses on the other come to naught.

"There ought to be a way for statesmen to agree upon what Germany can pay, for no matter what claims may be made against her, that is the limit of satisfaction. There ought to be a way to determine that limit and provide a financial plan by which immediate results can be obtained and the European nations can feel that the foundation has been laid for their mutual and earnest endeavors to bring about the utmost prosperity to which the industry of their people entitle them.

"If statesmen cannot agree and exigencies of public opinion make their course difficult, then there should be called to their aid those who can point the way to a solution.

"Why should they not invite men of the highest authority in finance in their respective countries--men of such prestige, experience and honor that their agreement upon the amount to be paid and upon a financial plan for working out the payments would be accepted throughout the world as the most authoritative expression obtainable?

"Governments need not bind themselves in advance to accept the recommendations, but they can at least make possible such an inquiry with their approval and free the men who may represent their country in such a commission from any responsibility to foreign officers and from any duty to obey political instructions. In other words, they may invite an answer to this difficult and pressing question from men in such standing and in such circumstances of freedom as will insure a reply prompted only by knowledge and conscience.

"I have no doubt that distinguished Americans would be willing to serve on such a commission. If Governments saw fit to reject the recommendation upon which such a body agreed, they would be free to do so, but they would have the advantage of impartial advice and of an enlightened public opinion. Peoples would be informed, the question would be rescued from assertion and counter assertion, and the problem put upon its way to solution.

"I do not believe that any general conference would answer the purpose better, much less than any political conference would accomplish a result which Premiers find it

impossible to reach. But I do believe that a small group, given proper freedom of action, would be able soon to devise a proper plan. It would be time enough to consider forcible measures after such an opportunity had been exhausted.

"Such a body would not only be expert but friendly. It would not be bound by special official obligations. It would have no animus and no duty but to find and state the truth. In a situation which requires an absence of technicality and immunity from interference, I hope that the way may soon be found for a frank discussion and determination of what is essentially an economic problem.

"The United States has the most friendly and disinterested purpose in this matter and wishes to aid in any practicable way. But it is idle to make suggestions which arouse false hopes and are so impracticable that they cannot bear fruit. On the other hand, there lies open a broad avenue of opportunity if those whose voluntary action is indispensable are willing to take advantage of it. And once this is done, the avenues of American helpfulness cannot fail to open hopefully."

The Naval Appropriation Bill finally passed both Houses with the original House amendment, calling for another naval conference, unchanged.

The President was not expected to heed the request.

### ***The Lausanne Conference.***

The Conference on the Near East began November 20. Representatives were present from the four Allied Great Powers, the United States, Turkey, the Balkan States. Delegates from Russia and Ukraine were not admitted, the Allied Powers having decreed that the Russians could come in only when the status of the Dardanelles is discussed.

At the second session, on the 21st, Mr. Child said that the representatives of the United States expected to attend all meetings of the Conference and of its committees, and to be "heard in equality with the other members," but that they would assume no responsibilities, would not vote, and would not sign any agreements or reports.

Ismet Pasha, for Turkey, then formally protested against the presence of the United States and any other nation which had not been at war with Turkey. He asked that delegations from other Black Sea Powers, viz.: Russia, Ukraine and Georgia be admitted as soon as possible.

The first of the three commissions into which the Conference divided itself, the one handling territorial and Straits questions, and presided over by Lord Curzon, will deal with this request. M. Barrere headed the second commission, handling economic and financial questions, including the Turkish public debt. Signor Garroni of Italy headed the third, dealing with capitulations and the status of foreigners. The Conference voted against publicity for its meetings. This was a defeat for Turkey. The English delegation, headed by Lord Curzon, Foreign Minister, had drawn up a program of fifteen points, on which England, France (Poincare), and Italy (Mussolini) were officially deemed to be in accord.

These fifteen points are:

1. Western Thrace—To be left to Greece, and the Turkish demand for a plebiscite there refused.

2. Bulgaria—To have an outlet to the Aegean, probably at the port of Dedeagatch, with a right-of-way through a neutralized 20-kilometer zone along the Maritza River.

3. Dardanelles—Freedom of the Straits assured, with a demand for demilitarization of a neutral zone.

4. Capitulations—To be replaced by special agreements to insure justice for foreigners in Turkish courts. For the discussion of this topic, the Allies invited Spain, Holland, and the Scandinavian States to send delegates.

5. Aegean Islands—The Allies claim to dispose of four islands near the entrance to the Dardanelles, and of four others off the west coast of Anatolia.

6. Syria and Irak—Frontiers to be kept unless mandatories consent to local rectifications.

7. Mandated Territories—To be unchanged.

8. Allied Graves (Gallipoli)—Soil to be ceded to Allies.

9. Indemnities—One demanded from Turkey. Turkish demand for indemnity from Greece refused.

10. Mudania Convention for Armistice—To be strictly enforced.

11. Constantinople—Allied troops remain there until a new treaty is ratified by Turkey.

12. Minorities—Protection for in Asia and Europe; this covers the question of an Armenian National Home in Turkey.

13. Turkish Army in Europe to be limited.

14. Financial Agreements About Ottoman Debt—To be worked out by Allied experts.

15. Trade Agreements — Turkish Government asked to recognize concessions held by Allied nationals, and to withdraw its annulment of contracts which it has made since the Armistice of 1918.

The first two points were virtually accepted by the Turks and Allies on November 23 and 24.

On the 25th the head of the American delegation defined before the first committee of the Conference the wishes of his Government.

Mr. Child spoke as follows:

"It is not and will not be the chosen concern of the representative of the United States to express at this conference views which have not for their bases the legitimate national interests of the United States or those of humanitarian consideration, which I assume are shared by every delegation present.

"We will, however, and I trust acceptably, state, when the occasion arises, the position of the United States. We believe that a convenient and appropriate occasion has now arisen.

"It is not unknown to those who have observed the history of conferences and negotiations that few subjects may be considered by themselves. I note, referring to the specific subject under discussion, that all the various points of negotiation in the end be considered as a unit, and it is often true that not one detail of negotiation can be considered as isolated from the others.

"The representatives of the United States are unable, therefore, to hear concluded the discussion of any territorial settlement which in its turn may affect other settlements without drawing the attention of the conference to certain traditional principles of the foreign policy of America.

"Reference to this policy was made in an aide-memoire delivered to the Ministers of Foreign Affairs of the three inviting powers on October 30—less than one month ago."

Here Mr. Child read the clauses from the American communication relating to the opposition of the United States to secret treaties and agreements, especially to those providing for zones of special economic and commercial influence in Turkey, as follows:

"As the object in view in submitting this suggestion (that is, to send observers to Lausanne) is the elimination of any possible cause of misunderstanding, it is considered appropriate to call attention to the attitude of the United States in respect to secret treaties and agreements.

"It is not felt that arrangements previously made with respect to Turkish territory which provide for the establishment of zones of special commercial and economic influence—such, for example, as the tripartite agreement of 1920—are consonant with the principle of the equality of economic opportunity. It is assumed that the allied powers will not now desire, and do not now intend, to carry into effect previous arrangements of this nature.

"The United States has no desire to take any action which might embarrass the allied powers in the proper effort to secure peace. It desires nothing which need conflict with the interests of other countries, if the principle of commercial opportunity for all nations is recognized at the outset.

"The United States has no intention of seeking for itself or its nationals a position of special privilege, but it desires to protect its rights and to assure the open door."

On concluding this reading Ambassador Child went on:

"This conference may be glad to know that the overwhelming sentiment of the people of the United States is in favor of this policy, not only as a national policy, but as one which, were it to be adopted by every nation on earth, would be, in contrast perhaps to the search for territorial or other special privileges on foreign soils, a powerful element in the establishment of any stable peace, the foundation for greater equity in the relation of nation with nation and a basis for more progressive economic development of territories."

The tripartite agreement referred to is the San Remo Agreement of 1920, in which the Allied Powers apportioned the Mesopotamian oil fields.

There was sharp French comment upon the American position, which was interpreted at Paris thus: "We assume no responsibility, and will make no sacrifice; but we demand an equal share of whatever advantages the States that take the risks can secure."

Secretary Hughes at Washington pointed out that the United States had not been at war with Turkey, but had contributed so much to the final victory of the Allies that, without its aid, not the Allies but Germany would have been settling the Near Eastern questions. It was only proper that the United States should guard its legitimate interests in Turkey, which are not territorial and political in character, but are educational, religious, economic and judicial (capitulations).

The Allies refused repeated demands by the Russian dele-

gation at Lausanne to be admitted to all sessions of the Conference.

On December 1 Ismet Pasha informed the Conference that the Angora Government had decreed that all Greek Christians must leave its territory.

On the following day Ismet declared that the capitulations were incompatible with Turkish independence and sovereignty, and would not be restored. The Allied representatives and Ambassador Child held that the capitulations could not be abrogated by Turkey alone, and that the rights of foreigners in Turkey must be protected by guarantees. The deadlock was clear and complete.

Chicherin reached Lausanne on December 1 and assumed leadership of the Russian delegation. He announced himself in favor of closing the Dardanelles to all warships, and in favor of allowing the Turks to fortify the Straits. But the Turks saw in this a plan to substitute Russian for British control of the Black Sea. Ismet and his friends promptly showed a tendency to prefer the British to the Russians as near neighbors.

Through the Papal Nuncio in Switzerland, the Pope appealed to the Conference on December 5 to protect the panic-stricken Christian population of Constantinople. The Turks denied that those Christians were in danger.

On the same day Dr. Nansen issued an appeal for aid for a million Asiatic Christian refugees now in Greek territory, for whose support the Greek Government had no adequate resources.

Dr. Nansen was inclined to favor an exchange of Christians from Constantinople against the Moslems of Western Thrace.

Lord Curzon had already presented statistics to show that a million Asiatic Greeks had been either deported or killed, that a half million were left, mostly males, whom the Turks were holding as hostages and workers, and that 120,000 of them had been deported into Central Anatolia. Their fate was unknown. He said that 320,000 Greeks had fled from Eastern Thrace, where their ancestors had lived for more than a thousand years, and that 300,000 more were in Constantinople, not knowing what a day would bring forth. On the other hand, in Western Thrace and the Greek islands there were 480,000 Moslems. As prisoners of war, the Greeks were holding 10,000 Turkish soldiers and 3,800 Turkish civilians, while the Turks held 30,000 Greek soldiers.

On the 7th the Allies announced together that the Greeks in Constantinople must be allowed to remain there, and must not be massacred.

Minister Grew for the United States made this statement:

"The American delegation is not in accord with the proposals for new compulsory movements of population unless it is clearly shown that good purposes will be served, as might be the case with the exchange of prisoners or of populations where exchange is necessary to serve humanitarian ends.

"Without discrimination between the parties to the negotiation for exchange, the American delegation is unable to approve the movement from Constantinople of the Greek population of that city, particularly under conditions which will send an urban people used to artisanship and commerce to a rural district.

"We will not hesitate to express, in pursuance of our legitimate humanitarian interest, our protest against any such dislodgment of human beings."

On December 6th Lord Curzon declared that "the Straits must be free to merchantmen and warships under all flags; that the shores must be demilitarized under international control. The Turks may keep near Constantinople not more than 10,000 soldiers. No outside Power can have in the Black Sea more warship tonnage than the most powerful country bordering on that sea.

"No fighting, and no mine fields are to be allowed in the Straits under any conditions.

"A commission composed of delegates from France, England, Japan, Italy, Russia, the United States, Turkey, Greece, Rumania, Yugoslavia and Bulgaria is to supervise the carrying out of the regulations. The Turkish member is to be chairman."

Representation of the United States on such an International Straits Commission is naturally contingent upon ratification of the treaty by that Government. The American delegation expressed disapproval of the plan for such a commission. The full final text of the Allied plan for the freedom and demilitarization of the Straits was presented to the Turks on the 19th, and given to the public on the next day.

Lord Curzon was followed by Ambassador Child with this statement:

"I have listened with interest to the points of view of the various delegations on the subject of the Straits, and

trust that a statement of the views of the American representatives will not be unwelcome.

"Our position is based upon the policy of our Government, which stands for complete and constant freedom, without special privilege, for our commerce and for the commerce of other nations.

"The application of this policy to the question of the Straits is not difficult. We desire for the good of our interest, as well as for the good of all, including those peoples and nations that border on the Black Sea, that nothing shall be done that will take from any of them—Bulgaria or Russia, the Ukraine or Turkey, Rumania or Georgia—guarantees that they shall be accessible to the commerce of the world. Accessibility to that commerce is their right."

"It is equally the right of the commerce of the world to reach the peoples of this region. I do not understand that any delegation here would openly deny that right for times of peace.

"This is not sufficient. It is in keeping with the progress of world administration and enlightened international purposes that the commerce of neutral nations shall not be interrupted during a state of war.

"Freedom of the Straits is a term too limited to cover the field of this discussion, which involves the freedom of all those nations which border on the Black Sea and of all those nations outside the Straits who desire to reach them on their friendly errands.

"We cannot accept the position stated by any one who has spoken regarding the position of the nations on the Black Sea. We have heard no one speak with the assent of all. We cannot accept the position that the future of commerce in the Black Sea is the exclusive affair of the nations bordering upon it. We assert that it is the concern of all the nations of the earth.

"It is untenable that any one nation by virtue of its geographical position should hold the power of depriving every other nation of these rights. This would be not only against the interests of our national policy; it would be against the interests of every nation on the Black Sea; it would be against the whole historical development of the freedom of the Black Sea.

"Unlimited control of the Straits and the Black Sea by any one nation is against the policy of the world. I do not understand that any nation will deny these fundamental prin-



ciples of the freedom of the Black Sea. I do not understand that Turkey denies them. I do not even understand that any nation having an eye for extension of its territory or seeking to control the policies of Turkey will be heard here to deny them.

"I assume these fundamental principles will be established by this conference and, if possible, will be guaranteed by this conference. No other result would satisfy the view of my Government. Without presuming to speak specifically for the others, I assume that no other result would satisfy either the nations inside or outside the Straits.

"It is our view that the freedom of the Black Sea is to be gained only by disarmament. More than this, it is our belief that even armament designed to keep the Straits open is, in fact, a danger to the freedom of the Black Sea.

"If any nation or group of nations representing the interests of all the nations accepts the trusteeship of the freedom of the Black Sea, this trusteeship may be carried out, we believe, with a greater guarantee of good faith and constancy if reliance is placed upon agreements rather than upon force.

"It is impossible for me to overlook the proposal made by one delegation here that by such agreements all warships should be excluded from the Black Sea. I would find it equally reasonable to exclude warships from every other international body of water.

"No nation has gone further than the United States in its policies of naval disarmament, but no nation would be readier to uphold the good sense of maintaining a sufficient naval force to act as the police of the free seas, to protect its citizens and their ships wherever they might be, to suppress piracy or other menaces, and to act at times for the public good and to give relief to the suffering, just as the ships of war have recently done in the Near East.

"Ships of war are not necessarily agents of destruction; on the contrary, they may be agents of preservation and serve good and peaceful ends in the prevention of disorder and the maintenance of peace.

"We—I believe, in common with every commercial nation—wish access to every free body of water in the world, and we will not be satisfied if our ships of war may not pursue their peaceful errands wherever our citizens and our ships may go."

Chicherin declared that Lord Curzon's proposal meant

war upon Russia. Concerning Mr Child's statement, Chicherin is reported to have said:

"The declaration is not clear to me. If Mr. Child means to say that the North American fleet can go freely wherever an American citizen may go, he is in flagrant violation of the policy of the Washington Disarmament Conference. If President Harding's representative, in speaking of the peaceful work of warships, means isolated warships carrying peace missions—if American peace missions must travel on warships—we can dispense with them."

On December 8 Ismet Pasha accepted the ideas of demilitarization and an international commission, but insisted that Turkey must be allowed to fortify Constantinople, and that the passage of warships through the Straits should be restricted. Mercantile marine of all nations should pass freely through the Straits in times of either peace or war.

The Balkan States and Japan came out in favor of the Allied proposals.

Concerning the Ottoman debt, the Turks demanded (December 9) that the entire Turkish debt contracted during the war should be divided with pro rata assignments to Mesopotamia, Syria, and those parts of Greece, Bulgaria, and Yugoslavia which formerly belonged to Turkey. The Allies refused this, and a deadlock ensued.

On the 12th the protection of minorities was again the theme. Lord Curzon suggested that Turkey enter the League of Nations and that the protection of minorities in Turkey be entrusted to the League. Ismet Pasha replied that Turkey wanted no more foreign interference, that the Anatolian Greeks should be exchanged for the Moslems in Macedonia, and that the Greek Orthodox Patriarch must quit Constantinople. The Armenian Patriarch had already fled to Bulgaria.

Greeks in Constantinople who were Turkish subjects might remain, but all Greek societies hostile to Turkey must depart.

Ismet charged that foreign influences and missionaries had stirred up Greeks and Armenians to conspire against Turkey, which had only defended itself. "Jews," he said, "have never had any trouble in Turkey."\*

Ambassador Child spoke of American interest in Ar-

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\* The complete text of Ismet Pasha's defense of Turkey is to be found in English translation in "Current History" for February, 1923. It is a remarkable document

menians and Greeks, of American educational institutions in Turkey, and of the enormous benevolences of the American Near East Relief, which had expended \$75,000,000 in feeding and clothing the starving and in aiding the sick. He urged the creation of a national home for Armenians, but his conclusion was no more than a vague expression of a pious wish.

Concerning American schools and hospitals in Turkey, Ismet had already (December 7) assured Dr. William W. Peet and Dr. James L. Barton, chief representatives at Lausanne of American missionary societies, that the Turks wanted these institutions to remain at work, but that the instruction in schools and colleges and the government of those institutions must be in compliance with Turkish laws.

After three days of rather fiery debate over the minorities, on the 14th Ismet declared that, after peace had been made, Turkey would join the League of Nations and give the same guarantees that League members gave to their minorities—and no more.

Lord Curzon, who had the day before been virtually denouncing the Turks as murderers, accepted this statement, and, as Mr. E. A. James remarked, "The blood of 2,000,000 Armenians was forgotten in a general love feast."

As for a national home for Armenians, Ismet said that many States had more territory than Turkey. Any one of them could form an Armenian national home. Turkey would gladly permit the Armenians to go to it.

The British delegation stood out, however, against the Turkish demand for the expulsion of the Orthodox Greek Patriarchate from Constantinople. On the 16th Ambassador Child voiced the protest of numerous groups of American citizens against such an expulsion.

On the same day the long conversations between Lord Curzon and Ismet Pasha over Mosul culminated in the issuance of a British memorandum to the effect that Mosul and its territory would not be returned to Turkey. Although the oil deposits were the chief cause of the controversy, they are not mentioned in the British note. The memorandum shows that the Turks and the British accept the same estimate of the population of the Mosul region. There are 185,000 Arabs, 60,000 Turks, 62,000 Christians, 16,000 Jews and 600,000 Kurds. Therefore it is seen that the racial argument hinges on the Kurds.

Lord Curzon maintains that the Kurds do not wish Turkish rule and showed in the 1919 plebiscite that they wished

to join the Arabs. He says they now prefer to remain under the scepter of King Feisal of Irak, whose kingdom, under the mandate arrangement, is virtually a British protectorate. He also argues that the Kurds are no more Turks than the Arabs and, since he believes that they wish to remain in Irak, he sees no ethnological reason for giving Mosul back to Turkey. The Turks assert that the Kurds prefer to be in Turkey.

With regard to the Turkish demand for Mosul, because it was needed to form a strategically strong frontier, Lord Curzon replied that the weakness of the Irak frontier which would result from the granting of the Turkish demand, far outweighed the Turkish argument.

After arguing that neither on racial, historical, political or strategic grounds had Turkey a valid claim to Mosul, Lord Curzon cited the terms of the treaty between England and Irak, which says: "No territory in Irak shall be ceded, leased or in any way placed under the control of any foreign power."

On the 20th the Turks accepted the Allied proposals concerning the Straits, reserving the right to discuss additional guarantees for the defense of Constantinople and take control of the demilitarized zone by the Straits Commission.

On the 22d, however, having heard from Angora, Ismet Pasha declared that unless desired guarantees for defense of Constantinople were granted, his acceptance of the Allied proposals about passage of ships through the Straits would be withdrawn. Also economic discussions were canceled, the Angora Government wishing to make separate commercial treaties with all nations. In the Committee on Minorities the Turks said that they would not listen to Armenians, refused to accept such a clause about protection of Christian cemeteries as has been inserted in treaties with Balkan States, and refused to exempt Turkish Christians from military service on payment of a tax.

On the 23d the objection to the clause about Christian cemeteries was withdrawn, but at the same time the Turks declined to permit commissioners of the League of Nations to supervise administration of agreements for protection of minorities.

On Tuesday, the 26th, the Minorities Committee listened to pleas of Armenians for a national home in Turkey, and to pleas of Bulgarians that 160,000 of their race who had fled from Eastern Thrace should be permitted to return there, and to pleas of Assyro-Chaldeans from the Lake Van region to be left in possession of a measure of autonomy. The meeting

was unofficial in character, as the Turks would not attend. They submitted a protest against it, saying that the Armenian State of Erivan (Soviet Armenia) had a treaty with Turkey, but that these protesting Armenians were enemies of Erivan as well as of Turkey.

Between the 25th and the 27th the discussion of Mosul and its territory brought forth only a more complete deadlock between Great Britain and Turkey.

The only rift in the cloud was the permission of the Angora Government to Greek vessels to come to Black Sea ports and take Christian refugees on board, provided that the ships would not show the Greek flag and would be under the escort of American destroyers.

This permission was first made known to the United States representative at Constantinople. According to the Associated Press report, as soon as the new decision became known, the American Near East Relief, which from the start has shouldered the burden of responsibility for assisting the Christian exiles to leave Anatolia, began extending its rescue machinery to include adults as well as orphans, and wireless messages were immediately sent to all its Black Sea coastal and interior stations.

Greek steamers, which had been waiting at the Golden Horn, were soon under way, accompanied by American destroyers. An American relief worker is traveling aboard each ship, and all the vessels are well stocked with foodstuffs, provided by the Near East Relief. Bases for the convoying destroyers have been established by the American naval authorities at Samsun, the principal embarkation point on the Black Sea; at Constantinople and at Piræus, Greece, from which port refugee ships are starting.

The new scheme provides free transportation for the exiles for the first time since the exodus began and obviates the necessity of transshipment from allied vessels to Greek boats at Constantinople. It will accelerate the refugee movement, permitting the departure of tens of thousands who remained in the interior because of their lack of funds or through fear of a winter trip across the mountains, with no certainty of finding ships awaiting them at the coast.

On the 28th the Turks definitely refused any guarantees in exchange for the capitulations (abrogated by Turkey), under which foreign residents had protection of their own laws.

The Turks maintained that foreigners in Turkey needed no special protection.

Ambassador Child aligned the United States with the Allies on this question.

On the 30th Ambassador Child presented a declaration in favor of a plan for an Armenian national home in Turkish territory, and attached it to a definite outline of such a plan prepared by the Rev. George R. Montgomery, Director of the Armenia-America Society.

He advocated locating the home in the Osmania region at the head of the Gulf of Alexandretta, its limits to be laid down by the conference. This territory was formerly held by France as mandatory, but she gave it back to Turkey by the Angora treaty.

Mr. Montgomery argued that it would be an all-around political advantage to have a neutral zone between Syria and Turkey. He estimated the area of the proposed refuge as 18,000 square miles, and suggested that in compensation Great Britain cede a territory of corresponding size belonging to the Mesopotamian region to Turkey. The general consensus of expectation in America is that the territory would be autonomous under the Administration of the League of Nations.

To shield the Armenian home against invasion, Mr. Montgomery advocated a world-wide guarantee of its neutrality.

He estimated from 200,000 to 300,000 the number of Armenians who would move into the projected home, including 15,000 refugees in Constantinople, 110,000 from the Smyrna region, and 50,000 orphans being cared for by Americans.

The American declaration was not favorably received in Turkish quarters. One member of the Turkish delegation said:

"In reply to this, we shall propose that America establish in the State of Texas a home for American negroes."

A Turkish delegate said tonight:

"If the Americans send a fleet with 100,000 men to the Gulf of Alexandretta to demand a home for the Armenians, we will fight it out with you. If you send 200,000 we will kiss your hands and give you your Armenian home. But these are about the only methods by which you can get us to give up a slice of our richest farming territory, which would cut the Bagdad Railway."

Ambassador Child's declaration was without other effect upon the conference. The year closed with the conference still far from agreement upon any treaty.

## APPENDIX.

### I.

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#### **Text of "A" Class Mandates.**

#### **BRITISH MANDATE FOR PALESTINE.**

The Council of the League of Nations:

Whereas the Principal Allied Powers have agreed, for the purpose of giving effect to the provisions of Article 22 of the Covenant of the League of Nations, to entrust to a Mandatory selected by the said Powers the administration of the territory of Palestine, which formerly belonged to the Turkish Empire, within such boundaries as may be fixed by them; and

Whereas the Principal Allied Powers have also agreed that the Mandatory should be responsible for putting into effect the declaration originally made on November 2, 1914, by the Government of His Britannic Majesty, and adopted by the said Powers, in favor of the establishment in Palestine of a national home for the Jewish people, it being clearly understood that nothing should be done which might prejudice the civil and religious rights of existing non-Jewish communities in Palestine, or the rights and political status enjoyed by Jews in any other country; and

Whereas recognition has thereby been given to the historical connection of the Jewish people with Palestine and to the grounds for reconstituting their national home in that country; and

Whereas the Principal Allied Powers have selected His Britannic Majesty as the Mandatory for Palestine; and

Whereas the mandate in respect of Palestine has been formulated in the following terms and submitted to the Council of the League for approval; and

Whereas His Britannic Majesty has accepted the mandate in respect of Palestine and undertaken to exercise it on behalf of the League of Nations in conformity with the following provisions; and

Whereas by the aforementioned Article 22 (paragraph 8), it is provided that the degree of authority, control or administration to be exercised by the Mandatory, not having been previously agreed upon by the Members of the League, shall be explicitly defined by the Council of the League of Nations;

Confirming the said mandate, defines its terms as follows:

### ARTICLE 1.

The Mandatory shall have full powers of legislation and of administration, save as they may be limited by the terms of this mandate.

### ARTICLE 2.

The Mandatory shall be responsible for placing the country under such political, administrative and economic conditions as will secure the establishment of the Jewish national home, as laid down in the preamble, and the development of self-governing institutions, and also for safeguarding the civil and religious rights of all the inhabitants of Palestine, irrespective of race and religion.

### ARTICLE 3.

The Mandatory shall, so far as circumstances permit, encourage local autonomy.

### ARTICLE 4.

An appropriate Jewish agency shall be recognized as a public body for the purpose of advising and co-operating with the Administration of Palestine in such economic, social and other matters as may affect the establishment of the Jewish national home and the interests of the Jewish population in Palestine, and, subject always to the control of the Administration, to assist and take part in the development of the country.

The Zionist organization, so long as its organization and constitution are in the opinion of the Mandatory appropriate, shall be recognized as such agency. It shall take steps in consultation with His Britannic Majesty's Government to secure the co-operation of all Jews who are willing to assist in the establishment of the Jewish national home.

### ARTICLE 5.

The Mandatory shall be responsible for seeing that no Palestine territory shall be ceded or leased to, or in any way placed under the control of the Government of any foreign Power.

### ARTICLE 6.

The Administration of Palestine, while ensuring that the rights and position of other sections of the population are not prejudiced, shall facilitate Jewish immigration under suitable conditions and shall encourage, in co-operation with the Jewish agency referred to in Article 4, close settlement by Jews on



the land, including State lands and waste lands not required for public purposes.

### ARTICLE 7.

The Administration of Palestine shall be responsible for enacting a nationality law. There shall be included in this law provisions framed so as to facilitate the acquisition of Palestinian citizenship by Jews who take up their permanent residence in Palestine.

### ARTICLE 8.

The privileges and immunities of foreigners, including the benefits of consular jurisdiction and protection as formerly enjoyed by Capitulation or usage in the Ottoman Empire, shall not be applicable in Palestine.

Unless the Powers whose nationals enjoyed the aforementioned privileges and immunities on August 1, 1914, shall have previously renounced the right to their re-establishment, or shall have agreed to their non-application for a specific period, these privileges and immunities shall, at the expiration of the mandate, be immediately re-established in their entirety or with such modifications as may have been agreed upon between the Powers concerned.

### ARTICLE 9

The Mandatory shall be responsible for seeing that the judicial system established in Palestine shall assure to foreigners, as well as to natives, a complete guarantee of their rights.

Respect for the personal status of the various peoples and communities and for their religious interests shall be fully guaranteed. In particular, the control and administration of Wakfs shall be exercised in accordance with religious law and the dispositions of the founders.

### ARTICLE 10.

Pending the making of special extradition agreements relating to Palestine, the extradition treaties in force between the Mandatory and other foreign Powers shall apply to Palestine.

### ARTICLE 11

The Administration of Palestine shall take all necessary measures to safeguard the interests of the community in connection with the development of the country, and, subject to any international obligations accepted by the Mandatory, shall

have full power to provide for public ownership or control of any of the natural resources of the country or of the public works, services and utilities established or to be established therein. It shall introduce a land system appropriate to the needs of the country, having regard, among other things, to the desirability of promoting the close settlement and intensive cultivation of the land.

The Administration may arrange with the Jewish agency mentioned in Article 4 to construct or operate, upon fair and equitable terms, any public works, services and utilities, and to develop any of the natural resources of the country, in so far as these matters are not directly undertaken by the Administration. Any such arrangements shall provide that no profits distributed by such agency, directly or indirectly, shall exceed a reasonable rate of interest on the capital, and any further profits shall be utilized by it for the benefit of the country in a manner approved by the Administration.

#### ARTICLE 12.

The Mandatory shall be entrusted with the control of the foreign relations of Palestine and the right to issue exequaturs to consuls appointed by foreign Powers. He shall also be entitled to afford diplomatic and consular protection to citizens of Palestine when outside its territorial limits.

#### ARTICLE 13.

All responsibility in connection with the Holy Places and religious buildings or sites in Palestine, including that of preserving existing rights and of securing free access to the Holy Places, religious buildings and sites and the free exercise of worship, while ensuring the requirements of public order and decorum, is assumed by the Mandatory, who shall be responsible solely to the League of Nations in all matters connected herewith, provided that nothing in this article shall prevent the Mandatory from entering into such arrangements as he may deem reasonable with the Administration for the purpose of carrying the provisions of this article into effect; and provided also that nothing in this mandate shall be construed as conferring upon the Mandatory authority to interfere with the fabric or the management of purely Moslem sacred shrines, the immunities of which are guaranteed.

#### ARTICLE 14.

A special Commission shall be appointed by the Mandatory to study, define and determine the rights and claims in con-

nection with the Holy Places and the rights and claims relating to the different religious communities in Palestine. The method of nomination, the composition and the functions of this Commission shall be submitted to the Council of the League for its approval, and the Commission shall not be appointed or enter upon its functions without the approval of the Council.

#### ARTICLE 15.

The Mandatory shall see that complete freedom of conscience and the free exercise of all forms of worship, subject only to the maintenance of public order and morals, are ensured to all. No discrimination of any kind shall be made between the inhabitants of Palestine on the ground of race, religion or language. No person shall be excluded from Palestine on the sole ground of his religious belief.

The right of each community to maintain its own schools for the education of its own members in its own language, while conforming to such educational requirements of a general nature as the Administration may impose, shall not be denied or impaired.

#### ARTICLE 16.

The Mandatory shall be responsible for exercising such supervision over religious or eleemosynary bodies of all faiths in Palestine as may be required for the maintenance of public order and good government. Subject to such supervision, no measures shall be taken in Palestine to obstruct or interfere with the enterprise of such bodies or to discriminate against any representative or member of them on the ground of his religion or nationality.

#### ARTICLE 17.

The Administration of Palestine may organize on a voluntary basis the forces necessary for the preservation of peace and order, and also for the defense of the country, subject, however, to the supervision of the Mandatory, but shall not use them for purposes other than those above specified save with the consent of the Mandatory. Except for such purposes, no military, naval or air forces shall be raised or maintained by the Administration of Palestine.

Nothing in this article shall preclude the Administration of Palestine from contributing to the cost of the maintenance of the forces of the Mandatory in Palestine.

The Mandatory shall be entitled at all times to use the

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roads, railways and ports of Palestine for the movement of armed forces and the carriage of fuel and supplies.

#### ARTICLE 18.

The Mandatory shall see that there is no discrimination in Palestine against the nationals of any State Member of the League of Nations (including companies incorporated under its laws) as compared with those of the Mandatory or of any foreign State in matters concerning taxation, commerce or navigation, the exercise of industries or professions, or in the treatment of merchant vessels or civil aircraft. Similarly, there shall be no discrimination in Palestine against goods originating in or destined for any of the said States, and there shall be freedom of transit under equitable conditions across the mandated area.

Subject as aforesaid and to the other provisions of this mandate, the Administration of Palestine may, on the advice of the Mandatory, impose such taxes and customs duties as it may consider necessary, and take such steps as it may think best to promote the development of the natural resources of the country and to safeguard the interests of the population. It may also, on the advice of the Mandatory, conclude a special customs agreement with any State the territory of which in 1914 was wholly included in Asiatic Turkey or Arabia.

#### ARTICLE 19.

The Mandatory shall adhere on behalf of the Administration of Palestine to any general international conventions already existing, or which may be concluded hereafter with the approval of the League of Nations, respecting the slave traffic, the traffic in arms and ammunition, or the traffic in drugs, or relating to commercial equality, freedom of transit and navigation, aerial navigation and postal, telegraphic and wireless communication or literary, artistic or industrial property.

#### ARTICLE 20.

The Mandatory shall co-operate on behalf of the Administration of Palestine, so far as religious, social and other conditions may permit, in the execution of any common policy adopted by the League of Nations for preventing and combating disease, including diseases of plants and animals.

#### ARTICLE 21.

The Mandatory shall secure the enactment within twelve

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months from this date, and shall ensure the execution of a Law of Antiquities based on the following rules. This law shall ensure equality of treatment in the matter of excavations and archaeological research to the nationals of all States Members of the League of Nations.

(1)

"Antiquity" means any construction or any product of human activity earlier than the year 1700 A. D.

(2)

The law for the protection of antiquities shall proceed by encouragement rather than by threat.

Any person who, having discovered an antiquity without being furnished with the authorization referred to in paragraph 5, reports the same to an official of the competent Department, shall be rewarded according to the value of the discovery.

(3)

No antiquity may be disposed of except to the competent Department, unless this Department renounces the acquisition of any such antiquity.

No antiquity may leave the country without an export license from the said Department.

(4)

Any person who maliciously or negligently destroys or damages an antiquity shall be liable to a penalty to be fixed.

(5)

No clearing of ground or digging with the object of finding antiquities shall be permitted, under penalty of fine, except to persons authorized by the competent Department.

(6)

Equitable terms shall be fixed for expropriation, temporary or permanent, of lands which might be of historical or archaeological interest.

(7)

Authorization to excavate shall only be granted to persons who show sufficient guarantees of archaeological experience. The Administration of Palestine shall not, in granting these authorizations, act in such a way as to exclude scholars of any nation without good grounds.

(8)

The proceeds of excavations may be divided between the

excavator and the competent Department in a proportion fixed by that Department. If division seems impossible for scientific reasons, the excavator shall receive a fair indemnity in lieu of a part of the find.

#### ARTICLE 22.

English, Arabic and Hebrew shall be the official languages of Palestine. Any statement or inscription in Arabic on stamps or money in Palestine shall be repeated in Hebrew and any statement or inscription in Hebrew shall be repeated in Arabic.

#### ARTICLE 23.

The Administration of Palestine shall recognize the holy days of the respective communities in Palestine as legal days of rest for the members of such communities.

#### ARTICLE 24.

The Mandatory shall make to the Council of the League or Nations an annual report to the satisfaction of the Council as to the measures taken during the year to carry out the provisions of the mandate. Copies of all laws and regulations promulgated or issued during the year shall be communicated with the report.

#### ARTICLE 25.

In the territories lying between the Jordan and the eastern boundary of Palestine as ultimately determined, the Mandatory shall be entitled, with the consent of the Council of the League of Nations, to postpone or withhold application of such provisions of this mandate as he may consider inapplicable to the existing local conditions, and to make such provision for the administration of the territories as he may consider suitable to those conditions, provided that no action shall be taken which is inconsistent with the provisions of Articles 15, 16 and 18.

#### ARTICLE 26.

The Mandatory agrees that, if any dispute whatever should arise between the Mandatory and another Member of the League of Nations relating to the interpretation or the application of the provisions of the mandate, such dispute, if it cannot be settled by negotiation, shall be submitted to the Permanent Court of International Justice provided for by Article 14 of the Covenant of the League of Nations.

ARTICLE 27.

The consent of the Council of the League of Nations is required for any modification of the terms of this mandate.

ARTICLE 28.

In the event of the termination of the mandate hereby conferred upon the Mandatory, the Council of the League of Nations shall make such arrangements as may be deemed necessary for safeguarding in perpetuity, under guarantee of the League, the rights secured by Articles 13 and 14, and shall use its influence for securing, under the guarantee of the League, that the Government of Palestine will fully honor the financial obligations legitimately incurred by the Administration of Palestine during the period of the mandate, including the rights of public servants to pensions or gratuities.

The present instrument shall be deposited in original in the archives of the League of Nations and certified copies shall be forwarded by the Secretary-General of the League of Nations to all Members of the League.

Done at London the twenty-fourth day of July, one thousand nine hundred and twenty-two.

***French Mandate for Syria and the Lebanon.***

The Council of the League of Nations.

Whereas the Principal Allied Powers have agreed that the territory of Syria and the Lebanon, which formerly belonged to the Turkish Empire shall, within such boundaries as may be fixed by the said Powers, be entrusted to a Mandatory charged with the duty of rendering administrative advice and assistance to the population, in accordance with the provisions of Article 22 (paragraph 4) of the Covenant of the League of Nations; and

Whereas the Principal Allied Powers have decided that the mandate for the territory referred to above should be conferred on the Government of the French Republic, which has accepted it; and

Whereas the terms of this mandate, which are defined in the articles below, have also been accepted by the Government of the French Republic and submitted to the Council of the League for approval; and

Whereas the Government of the French Republic has undertaken to exercise this mandate on behalf of the League of Nations, in conformity with the following provisions; and

Whereas by the aforementioned Article 22 (paragraph 8), it is provided that the degree of authority, control or administration to be exercised by the Mandatory, not having been previously agreed upon by the Members of the League, shall be explicitly defined by the Council of the League of Nations;

Confirming the said mandate, defines its terms as follows:

#### ARTICLE 1.

The Mandatory shall frame, within a period of three years from the coming into force of this mandate, an organic law for Syria and the Lebanon.

This organic law shall be framed in agreement with the native authorities and shall take into account the rights, interests and wishes of all the population inhabiting the said territory. The Mandatory shall further enact measures to facilitate the progressive development of Syria and the Lebanon as independent States. Pending the coming into effect of the organic law, the Government of Syria and the Lebanon shall be conducted in accordance with the spirit of this mandate.

The Mandatory shall, as far as circumstances permit, encourage local autonomy.

#### ARTICLE 2.

The Mandatory may maintain its troops in the said territory for its defence. It shall further be empowered, until the entry into force of the organic law and the re-establishment of public security, to organize such local militia as may be necessary for the defense of the territory, and to employ this militia for defense and also for the maintenance of order. These local forces may only be recruited from the inhabitants of the said territory.

The said militia shall thereafter be under the local authorities, subject to the authority and the control which the Mandatory shall retain over these forces. It shall not be used for purposes other than those above specified, save with the consent of the Mandatory.

Nothing shall preclude Syria and the Lebanon from contributing to the cost of the maintenance of the forces of the Mandatory stationed in the territory.

The Mandatory shall at all times possess the right to make use of the ports, railways and means of communication of Syria and the Lebanon for the passage of its troops and of all materials, supplies and fuel.



ARTICLE 3.

The Mandatory shall be entrusted with the exclusive control of the foreign relations of Syria and the Lebanon and with the right to issue exequaturs to the consuls appointed by foreign Powers. Nationals of Syria and the Lebanon living outside the limits of the territory shall be under the diplomatic and consular protection of the Mandatory.

ARTICLE 4.

The Mandatory shall be responsible for seeing that no part of the territory of Syria and the Lebanon is ceded or leased or in any way placed under the control of a foreign Power.

ARTICLE 5.

The privileges and immunities of foreigners, including the benefits of consular jurisdiction and protection as formerly enjoyed by Capitulation or usage in the Ottoman Empire, shall not be applicable in Syria and the Lebanon. Foreign consular tribunals shall, however, continue to perform their duties until the coming into force of the new legal organization provided for in Article 6.

Unless the Powers whose nationals enjoyed the aforementioned privileges and immunities on August 1, 1914, shall have previously renounced the right to their re-establishment, or shall have agreed to their non-application during a specified period, these privileges and immunities shall at the expiration of the mandate be immediately re-established in their entirety or with such modifications as may have been agreed upon between the Powers concerned.

ARTICLE 6.

The Mandatory shall establish in Syria and the Lebanon a judicial system which shall assure to natives as well as to foreigners a complete guarantee of their rights.

Respect for the personal status of the various peoples and for their religious interests shall be fully guaranteed. In particular, the control and administration of Wakfs shall be exercised in complete accordance with religious law and the dispositions of the founders.

ARTICLE 7.

Pending the conclusion of special extradition agreements, the extradition treaties at present in force between foreign

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Powers and the Mandatory shall apply within the territory of Syria and the Lebanon.

#### ARTICLE 8.

The Mandatory shall ensure to all complete freedom of conscience and the free exercise of all forms of worship which are consonant with public order and morality. No discrimination of any kind shall be made between the inhabitants of Syria and the Lebanon on the ground of differences in race, religion or language.

The Mandatory shall encourage public instruction, which shall be given through the medium of the native languages in use in the territory of Syria and the Lebanon.

The right of each community to maintain its own schools for the instruction and education of its own members in its own language, while conforming to such educational requirements of a general nature as the administration may impose, shall not be denied or impaired.

#### ARTICLE 9.

The Mandatory shall refrain from all interference in the administration of the Councils of management (*Conseils de fabrique*) or in the management of religious communities and sacred shrines belonging to the various religions, the immunity of which has been expressly guaranteed

#### ARTICLE 10.

The Supervision exercised by the Mandatory over the religious missions in Syria and the Lebanon shall be limited to the maintenance of public order and good government; the activities of these religious missions shall in no way be restricted, nor shall their members be subjected to any restrictive measures on the ground of nationality, provided that their activities are confined to the domain of religion

The religious missions may also concern themselves with education and relief, subject to the general right of regulation and control by the Mandatory or of the local government, in regard to education, public instruction and charitable relief.

#### ARTICLE 11.

The Mandatory shall see that there is no discrimination in Syria or the Lebanon against the nationals, including societies and associations, of any State Member of the League of Nations as compared with its own nationals, including societies and associations, or with the nationals of any other

foreign State in matters concerning taxation or commerce, the exercise of professions or industries, or navigation, or in the treatment of ships or aircraft. Similarly, there shall be no discrimination in Syria or the Lebanon against goods originating in or destined for any of the said States; there shall be freedom of transit, under equitable conditions, across the said territory.

Subject to the above, the Mandatory may impose or cause to be imposed by the local government such taxes and customs duties as it may consider necessary. The Mandatory, or the local governments acting under its advice, may also conclude on grounds of contiguity any special customs arrangements with an adjoining country.

The Mandatory may take or cause to be taken, subject to the provisions of paragraph 1 of this article, such steps as it may think best to ensure the development of the natural resources of the said territory and to safeguard the interests of the local population.

Concessions for the development of these natural resources shall be granted without distinction of nationality between the nationals of all States Members of the League of Nations, but on condition that they do not infringe upon the authority of the local government. Concessions in the nature of a general monopoly shall not be granted. This clause shall in no way limit the right of the Mandatory to create monopolies of a purely fiscal character in the interest of the territory of Syria and the Lebanon, and with a view to assuring to the territory the fiscal resources which would appear best adapted to the local needs, or, in certain cases, with a view to developing the natural resources either directly by the State or through an organization under its control, provided that this does not involve either directly or indirectly the creation of a monopoly of the natural resources in favor of the Mandatory or its nationals, nor involve any preferential treatment which would be incompatible with the economic, commercial and industrial equality guaranteed above.

#### ARTICLE 12.

The Mandatory shall adhere, on behalf of Syria and the Lebanon, to any general international agreements already existing, or which may be concluded hereafter with the approval of the League of Nations, in respect of the following: the slave trade, the traffic in drugs, the traffic in arms and ammunition, commercial equality, freedom of transit and navi-

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gation, aerial navigation, postal, telegraphic or wireless communications, and measures for the protection of literature, art or industries.

#### ARTICLE 13.

The Mandatory shall secure the adhesion of Syria and the Lebanon, so far as social, religious and other conditions permit, to such measures of common utility as may be adopted by the League of Nations for preventing and combating disease, including diseases of animals and plants.

#### ARTICLE 14.

(This Article is identical with Article 21 of the Mandate for Palestine.)

#### ARTICLE 15.

Upon the coming into force of the organic law referred to in Article 1, an arrangement shall be made between the Mandatory and the local governments for reimbursement by the latter of all expenses incurred by the Mandatory in organizing the administration, developing local resources, and carrying out permanent public works, of which the country retains the benefit. Such arrangement shall be communicated to the Council of the League of Nations.

#### ARTICLE 16.

French and Arabic shall be the official languages of Syria and the Lebanon.

#### ARTICLE 17.

(Same as Article 24 of the Mandate for Palestine.)

#### ARTICLE 18.

(Same as Article 27 of the Mandate for Palestine.)

#### ARTICLE 19.

On the termination of the mandate, the Council of the League of Nations shall use its influence to safeguard for the future the fulfilment by the Government of Syria and the Lebanon of the financial obligations, including pensions and allowances, regularly assumed by the administration of Syria or of the Lebanon during the period of the mandate.

#### ARTICLE 20.

(Same as Article 26 of the Mandate for Palestine.)

The present instrument shall be deposited in original in the archives of the League of Nations and certified copies shall

be forwarded by the Secretary-General of the League of Nations and certified copies shall be forwarded by the Secretary-General of the League of Nations to all Members of the League.

Done at London on the twenty-fourth day of July, one thousand nine hundred and twenty-two.

## II

### Secretary Hughes and the League

On July 7, Mr. Hamilton Holt addressed a letter to Secretary Hughes saying that, as President Harding's "association of nations" seemed to be nowhere taken seriously, it was proper to ask how the present Administration would act toward the League of Nations.

The full text of Mr. Holt's letter follows:

July 7, 1922.

Dear Mr. Hughes:

When Woodrow Wilson brought back the preliminary draft of the Covenant of the League of Nations from Paris and invited suggestions for its improvement, no American made a more lucid and analytic study of the document than you. In your notable address before the Union League Club of New York, you expressed your willingness to have the United States accept the Covenant provided it was amended in the following seven particulars:

1. By explicit provision as to the requirement of unanimity in decision.

This was accepted in Article V in the revised Covenant, which states: "Except when otherwise expressly provided in this Covenant or by the terms of this treaty, decisions at any meeting of the Assembly or by the Council shall require the agreement of *all* the members of the League represented at the meeting."

2. By suitable limitation as to the field of the League's inquiries and action, so as to leave no doubt that the internal concerns of States, such as immigration and tariff laws are not embraced.

This was accepted in Article XV of the revised Covenant which reads: "If the dispute between the parties is claimed by one of them, and is found by the Council to arise out of a matter which by international law is solely within the domestic jurisdiction of the party, the Council shall so report and *shall make no recommendation as to the settlement.*" It is worth recalling that

the wording of this provision was suggested to Mr. Wilson by Chief Justice Taft.

3. By providing that no foreign power shall hereafter acquire by conquest, purchase, or in any other way, any possession on the American continent or the islands adjacent thereto.
4. By providing that the settlement of purely American questions shall be remitted primarily to the American nations and the European nations shall not intervene unless requested to by the American nations.

These two proposals are practically covered by Article XXI of the revised Covenant which for the first time recognizes the Monroe Doctrine as international law and which reads, "Nothing in this Covenant shall be deemed to affect the validity of international engagements such as treaties of arbitration or regional understandings *like the Monroe Doctrine*, for securing the maintenance of peace."

5. By omitting the guarantee of Article X.

This guarantee protects all members of the League in their sovereignty and territory "as against external aggression." Mr. Wilson considered it the heart of the League. He would not agree to this proposed amendment.

6. By providing that no member of the League shall be constituted a mandatory without its consent, and that no European or Asiatic Power shall be constituted a mandatory of any American people

The essential part of this suggestion was adopted in the paragraph in Article XXII of the revised Covenant which says that the mandated territories shall be "entrusted to advanced nations who by reason of their resources, their experience or *their geographical position* can best undertake this responsibility and *who are willing to accept it*."

7. By providing that any member of the League may withdraw at its pleasure on a specified notice.

This suggestion was accepted in the paragraph of Article I of the revised Covenant which reads, "Any member of the League may, after two years' notice of its intention to do so, withdraw from the League."

Thus the representatives of the powers at Versailles accepted your first, second, sixth, and seventh suggestions, substantially your third and fourth suggestions, and rejected your fifth suggestion.

As far as I am aware, you have never to this day repudiated or revised in any way your Union League speech. On the contrary, in October, 1920, a year later, you with thirty other pre-eminent Republicans signed your name to an appeal to the voters of the country urging them to elect Mr. Harding on the supposition that he, better than Mr. Cox would bring the United States into the existing League of Nations, modified to meet American objections. You did not say you thought or hoped Mr. Harding would do this, you gave your personal guarantee that he would do so. You said:

"The conditions of Europe make it essential that the stabilizing effect of the treaty already made between the European Powers shall not be lost by them and that the necessary changes be made by changing the terms of that treaty rather than by beginning entirely anew.

"That course Mr. Harding is willing to follow."

Undoubtedly hundreds of thousands of your countrymen took you at your word and voted to bring the United States into the League, under Republican auspices.

Mr. Harding was overwhelmingly elected. He made you Secretary of State.

Since you took office, however, many of your friends have come to fear that you have repudiated the existing League of fifty-one sovereign nations whose area comprises two-thirds of the earth, and whose population numbers three-quarters of the human race.

To mention but a few instances, you have permitted without rebuke your subordinate, the Ambassador at the Court of St James, to say that the United States will have nothing to do with any "commission or committee appointed by the League or responsible to it directly or indirectly, openly or furtively."

You have failed to reply to the official communications addressed you by the League during your first six months of office and since then, I understand, only in the most formal and non-committal manner.

You have definitely blocked the moving of the world health center from Paris to Geneva where it was to be put under the jurisdiction of the League.

You have practically prevented the American Hague judges from sending in nominations for the judges of the Permanent Court of International Justice of the League. You have taken no initiative in establishing or joining this court, whose advent was long championed by previous Republican administrations, and

whose only conceivable objection can now possibly be that it is sponsored by the League of Nations.

You called the conference on the Limitation of Armaments to do exactly what the League was formed to do and which—notable and concrete—as were its accomplishments—did nothing that probably could not have been done better and long ago had the United States been a member of the League.

Above all, you abandoned our late Allies, fighting at whose side 50,000 of our boys died and 200,000 were wounded, and made a separate peace with Germany in which you insisted on retaining the benefits of the Versailles treaty and refused to assume the obligations.

An election is at hand, Mr. Hughes, in which international issues as well as national issues will come before the voters. The greatest international issue confronting the American people is whether they will or will not cooperate with the other nations in some sort of a federation to rehabilitate a stricken world, to make war less probable, and in general to promote human welfare. The only practical proposal to accomplish these ends at this moment is the League of Nations which the United States has had a greater share in establishing than any other nation. The only nations still remaining outside the League are Turkey, Russia, Germany, Mexico and—the United States. There is no other alternative before the world than the League, for manifestly the so-called Harding Association that we were assured before the last election was to supplant the Wilson League is no longer anywhere taken seriously, even by its sponsors. I know of no man in the United States today—from the President down—who is publicly advocating such an association, much less taking any practical steps to work out its details or to organize the sentiment of the people in its behalf.

In view of our friendly personal relations of long duration, and my very high regard for you as a public character, I would be the last one to seek in any way to annoy or embarrass you. But the question I now raise is one of such great public concern at this time, as I conceive it, that I feel not only a great personal eagerness to have an explicit definition of your view, but I am moved as a conscientious citizen to endeavor as best I can to learn it.

I therefore respectfully ask you, Mr. Hughes, whether your administration has not been in office long enough to give the American people an unequivocal statement of its attitude on the League.



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Are you still in favor of entering the League as you were before you assumed office provided the other members of the League will not require the United States to assume the "guarantees" in respect to Article X? If so, everyone knows the League members would be only too glad to eliminate Article X altogether if in that way they could get us in. If you still favor entering the League, do you propose to attempt to bring the United States in during the incumbency of the present administration? If not, what steps do you think this country should take commensurate with its moral prestige and material power to do its share in organizing the world for peace and progress? These are questions that will not down, Mr. Secretary, and I respectfully submit that by virtue of your high character, your proved statesmanship, and the great office that you hold, you are the one man in the United States best fitted to answer them

Respectfully,

(Signed) HAMILTON HOLT.

On July 14, Secretary Hughes published a letter sent the day before to Hamilton Holt, and defining his position with reference to the League of Nations, as follows:

"July 13, 1922.

"My dear Mr. Holt:

"I have received your letter of July 7. You are good enough to refer to my speech at the Union League Club of New York in March, 1919, reviewing the preliminary draft of the Covenant of the League of Nations. The question as to the extent to which my suggestions were met was quite fully discussed in the campaign of 1920, and I then stated my views, as to the deficiencies of the revised draft, in public speeches which were fully reported. I see no useful purpose in going over that matter at this time, and I may simply point out that I did not regard any of my suggestions as adequately met in the revision of the covenant save the first as to the requirement of unanimity in decision.

"As to the other matters you bring up permit me to say:

"In connection with Colonel Harvey's statement as to the commissions or committees appointed by the League, permit me to call your attention to the action of the Senate in assenting to the treaty with Germany, providing that the United States shall not be represented or participate in any body, agency or commission unless Congress shall provide for such representation or participating.

"There has been much fruitless talk about answering com-

munications from the League. It may be pointed out that a large number of these are of a purely formal nature for the purpose of giving information. I have endeavored to deal with all communications courteously and appropriately, and reports to the contrary are evidently based on inadequate information. Of course, whatever your wishes may be, the fact is that the United States is not a member of the League and I have no authority to act as if it were.

"We have had appropriate representation at health conferences. I am advised of the work of the International Office of Public Health in Paris and I do not believe that the interests of international health have been injured by the fact that that office has remained intact.

"You are in error in your statement that I have prevented the American Hague Judges from sending in nominations for the Permanent Court of International Justice of the League. The American Hague Judges acted in accordance with their own views of propriety. So far as the court itself is concerned, I have too long advocated the judicial settlement of justiciable controversies between nations to make it necessary for me to discuss my general attitude.

"I may point out, however, that under the present constitution of the International Court, this Government has no voice in the election of the Judges of the court, as the Judges are elected by the Council and Assembly of the League of Nations. I see no prospect for any treaty or convention by which we should share in the maintenance of the court until some provision is made by which, without membership in the League, this Government would be able to have an appropriate voice in the election of Judges.

"I do not agree with your comment that the results of the recent conference of limitation of armament could have been accomplished or the work 'have been done better and long ago' had the United States been a member of the League.

"I do not care to discuss matters which are obviously subjects of conjecture, but my own view is that the important results of the conference were made possible because it was a limited conference, held in Washington by the nations immediately concerned and was not associated with other enterprises.

"I may add that I regret that you should permit yourself, in your zeal for the cause you have espoused, to say that I have abandoned our late Allies in making a separate peace with Germany. Such observations will do your cause no good.

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"The separate treaty with Germany was concluded for the sufficient reason that it became perfectly clear, after the most careful consideration, that the resubmission of the Treaty of Versailles with suggested reservations would have no other result than the renewal of the former controversy and its continuance for an indefinite time.

"It was in the interest of the Allies as well as of ourselves, and it was essential to the cause of peace that we should dispose of the matter by a separate treaty, and this was accomplished in a manner confirming our own rights and not derogating from those of the Allies. It is necessary when we deal with concrete situations to understand what courses are practicable.

"I must decline to comply with your request for a discussion of Governmental policies in this correspondence, as these will be the subject of official announcements from time to time as may be found to be advisable. The Administration has been endeavoring and will continue to endeavor to promote the cause of peace in every practicable way, and I think there has been a degree of success in this effort which is even greater than could reasonably have been anticipated eighteen months ago.

"I remain,

"Very sincerely yours,

(Signed) "CHARLES E. HUGHES."

Secretary Hughes' letter was promptly followed on the same date by a reply from Raymond B. Fosdick, who was for a time one of the Under Secretaries-General of the League.

"Secretary Hughes's statement," said Mr. Fosdick, "is interesting for what it omits. He neglects to say that up until last August no communication of the League addressed to the State Department was answered, and that when public opinion expressed itself on the matter of this discovery, fourteen such communications were answered in a batch, some of them being months old.

"He further omits to say that when the League's first conference on the white slave traffic was held, the State Department denied that it had received an invitation, and even when it was forced to acknowledge that an invitation had long been reposing in its files, it made no effort to put itself right. Similarly the League's invitation to attend the Barcelona Transit Conference was not answered.

"Mr. Hughes also omitted to say that the attitude of the

State Department on the question of the League's program of mandates nearly wrecked the whole plan. For over a year the mandate situation has been blocked, and the vast territories involved have been deprived of the international supervision which was one of the most forward-looking principles laid down in the Covenant of the League.

"Mr. Hughes also omitted to say that the refusal of the State Department to consent to the amalgamation of the old International Office of Public Health with the health section of the League of Nations had nearly crippled the health work which is now being carried on with the enthusiasm and support of fifty-one nations.

"As Mr. Hughes said in his letter, the United States is not a member of the League and the Secretary of State has no authority to act as if it were. A pertinent question would be whether in spite of its non-membership the United States is obliged to thwart the League at every possible point. Do we have to treat the League with contempt just to prove that we do not belong to it? Non-membership is one question; open hostility is another."

Secretary Hughes answered Mr. Fosdick by means of an interview published in the *New York Times*, on July 17.

It was contrary to the fact, said Mr. Hughes, to state that the attitude of the State Department with respect to the mandates had "nearly wrecked the whole plan" or that "for over a year the mandate situation had been blocked" through the State Department.

The Secretary said that the facts were these:

There were three classes of mandates—the A, B and C mandates. The C mandates related to the former German islands in the Pacific Ocean and to territory in Southwest Africa. Instead of the program being blocked by any attitude of this Government, the other powers had gone ahead and, in December, 1920, issued mandates without waiting for a treaty with this Government.

Secretary Hughes recalled the fact that soon after he came into office he addressed identical notes to the powers relating to the mandates and especially with reference to Yap. The result was, he added, that the propriety of the position of this Government was recognized and a treaty had been made with Japan relating to the administration of the mandate for the Pacific islands, north of the Equator, on terms to conserve American interests.

There had been no treaty yet, he went on, with respect to the islands south of the equator or the territory in Southwest Africa, but mandates had been issued. So far from the attitude of the American Government, in asking assurances for the protection of American interests, blocking the way, administration under the mandates had actually gone on, he said.

The A mandates, Mr. Hughes stated, related to former territories of Turkey. These, it was recognized by the powers, could not be issued until there was a treaty of peace with Turkey. The United States, he pointed out, did not go to war with Turkey, and had in no way delayed the consummation of a treaty that would furnish a basis for issue of mandates.

Secretary Hughes said that after stating in April, 1921, the general attitude of the United States on the subject of mandates, he sent in August notes to all the powers concerned, stating specifically the provisions that were deemed necessary to protect the United States in the case of both A and B mandates.

It should be remembered, he added, that the guarantees of these mandates ran only to the members of the League of Nations and their nationals. The United States simply sought fair and equal opportunity and the same rights for the United States and its nationals that members of the League would have in the territories acquired by the Allies as a result of the victory to which the United States contributed. The other powers concerned recognized this as a reasonable position, he said. It was also necessary, Mr. Hughes stated, to have assurance of protection for our missionaries and educational institutions.

Mr. Hughes said he had no desire to criticise the action of any of the powers, but in view of Mr. Fosdick's criticism of the State Department, it was fair to say that there had been no reply to the notes of August, 1921, on the A and B mandates until the latter part of December. Even then, the reply with respect to the Mesopotamian mandate was specifically postponed, and, as to that mandate, the Secretary said that he was still awaiting a reply from the British Government.

Mr. Hughes told *The Times* correspondent that following the notes, received in December, he had interviews during the Washington conference, in January, with Lord Balfour (then Arthur J. Balfour) regarding the Palestine mandate. After the conference this matter was the subject of a formal communication in April. Within the last two or three weeks, Mr. Hughes said, he had received further communications on this subject and had promptly replied.

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So far as the Syrian mandate was concerned, the Secretary said that he received no answer from the French Government to the proposals in his note of August until three or four weeks ago. The matter had then been promptly taken up and he believed that an agreement had been substantially reached between this Government and France with regard to the terms of that mandate.

The Secretary again called attention to the fact that none of these A mandates could actually issue until the treaty with Turkey had been arranged.

The B mandates relate to former German territories in East Africa, Togoland and the Cameroons, the mandates to be held by the British and French. Secretary Hughes said that he made his suggestions as to the provisions for the protection of American interests in his note of August and the answers in December related to these. The matter was taken up again after the Washington conference. Three or four weeks ago he received the text of the proposed conventions as to the mandates and replied at once so that the subject could be dealt with at the coming meeting in London.

It would thus be seen, the Secretary stated, that the attitude of the United States had not delayed matters in connection with the C mandates or the A mandates, while, so far as the B mandates were concerned, the attitude of the United States, which he held was entirely reasonable, and had been met by the other powers, was fully explained in August, and, so far as the United States was concerned, could have been disposed of then. Secretary Hughes was glad to say, he remarked, that the conventions, now virtually agreed upon, were the same as those he had proposed in August.

Mr. Hughes said that he was pleased to note that Mr. Fosdick's reference to alleged neglect to answer communications from the League apparently related to a period prior to August, 1921. Certainly, since that time, the Secretary said, he had been most solicitous to see that all communications were dealt with, as he said in his letter to Mr. Holt, courteously and appropriately.

With regard to the period prior to August, 1921, Secretary Hughes made it clear that he did not regard himself as personally responsible for any delay that had occurred. He said that he did not think it accurate to say that no communications had been answered prior to August, but certainly, when he found out what had not been answered or acknowledged, he had directed that the whole matter should be taken up and that suitable acknowledgements should be made.

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Mr. Hughes added that he had been advised, as a result of an examination of the department files, that in the last fourteen months of the preceding Administration, thirty-three communications were received from the League of Nations, of which only fifteen had been answered. When he came into office he did not know of this accumulation and he dealt with the matter when it was brought to his attention.

So far as the white slave traffic is concerned, the Secretary said that, as he had pointed out, there was nothing new in the attitude of this Government. The United States had refused to adhere to the convention of 1910 for the reason that it involved provisions relating to matters which, under our system of government, fell exclusively within the control of the States. Our recent attitude, he added, was in conformity with this position. The Secretary said that this had been made clear to the other Governments inquiring, and, he was quite sure, to the Secretary General of the League of Nations as well. The United States, of course, he said, was doing its share by Federal and State legislation to combat the evils involved.

So far as the International Health Bureau is concerned, Mr. Hughes answered that he could only repeat what he had said in his letter to Mr. Holt, that he was advised that the interests of health had not suffered by maintaining the international office at Paris intact, and he was assured that there had been established a proper degree of co-operation between that office and the League office. This Government, said Mr. Hughes, desired to do all in its power and is constantly acting to promote the cause of health.

At the end of the interview Secretary Hughes said that while the United States had none of the obligations of members of the League, he, of course, always desired to recognize the obligations of courtesy.

Mr. Fosdick followed with this reply printed in *The New York Times* on July 18:

"With all due respect to Mr. Hughes, his statement, appearing in this morning's *Times*, on the relations of the Harding Administration to the League of Nations is misleading. Either Mr. Hughes is himself confused on the details of the situation or he is not acquainted with what has gone on in the State Department.

"In his account of our relations to the mandates he entirely omits any mention of the one important incident that has given great and justifiable offense to all the members of the League and

that has delayed the settlement of the mandate negotiations for months.

"On Feb. 21, 1921, less than two weeks before the close of the Wilson Administration, Mr. Colby, Secretary of State, sent a note to the Council of the League protesting against any final settlement of the mandates question without consulting the United States, on the ground that the United States had an inseparable interest with the other allied and associated powers in the disposition of the overseas possessions of Germany.

"The Council of the League was at that very moment considering the matter, and I am informed from a responsible quarter that Mr. Colby's note was sent as a matter of courtesy to the Republican Administration, so that this important issue could be dealt with without prejudice by the incoming Secretary of State.

"Upon receipt of this note, which arrived at the Luxemburg palace in the midst of the negotiations, the Council of the League promptly postponed action and sent a courteous letter to the State Department, signed by Gastao da Cunha, the President of the Council, inviting the United States to participate in the deliberations of the League on this question in any way we elected. This note was dated March 1 and reached the State Department some time after Mr. Hughes became Secretary of State.

"To this invitation no reply was ever sent. The council of the League waited in vain from month to month, hesitating to go ahead without the United States in the settlement of the mandates, and yet increasingly conscious of the pressing importance of a final determination. Finally in August, 1921, as Mr. Hughes himself says in his statement, he addressed individual notes to Great Britain, France, Italy and Japan, taking up the matter of the several mandates directly with them. The League and its invitation were utterly ignored, and instead, negotiations were started with four of its members.

"Mr. Hughes suggests that the delay on the part of these four nations is responsible for the way in which the negotiations have been dragged out. He forgets that these four nations had to take the matter up with the League of Nations and with each other before they could decide upon action, and that the delay has been due to the fact that instead of settling the matter around a common table, with all the nations present, Mr. Hughes elected to adopt the old method of diplomatic procedure with its inevitable red tape and procrastination.

"As to the action of the State Department in vetoing the



League's proposal to take over the old International Office of Public Health as a nucleus of its own health bureau, Mr. Hughes contents himself with repeating the phrase that the international health program has not suffered. That may be his opinion, but it is not the opinion of the fifty-one nations who are members of the League.

"And upon what does Mr. Hughes base his conclusion? What technical study has he made of the matter that outweighs the long deliberations which the League gave to it? And if he felt it wise to upset the plans of the League on this matter of health organization, why could not some explanation have been sent to the League's council, some adequate reasons which would persuade the members of the League that our action was a worthy one and not prompted by hostility?"

"Since the advent of Mr. Harding's Administration the League of Nations has learned that it must expect no favors from the United States. All that it now asks is a fair chance. It can survive with the United States not a member. Whether it can survive the open hostility of the United States is another question."

Mr. Holt returned to the attack with the following letter which he sent to Secretary Hughes, charging him with breaking a pledge, made in the pre-election manifesto signed by thirty-one Republicans, that the administration of President Harding would "enter the League of Nations in its own way".

July 18, 1922.

DEAR MR. HUGHES:

I have received your courteous letter of July 13th in reply to mine of July 7th. You definitely decline to take the people into your confidence on the main issue of whether you will or will not attempt to bring the United States into the League. You content yourself with commenting on some of the instances I adduced, that seemed to me to indicate a different attitude on your part in respect to the League before and after the election. As you decline to make public the Administration's present attitude on the League, there is little use in pursuing the inquiry. I shall therefore confine myself to commenting briefly on the side issues to which you refer.

You say that with the exception of "the requirements of unanimity of decision," you do not regard that Mr. Wilson "adequately met" in the revision of the Covenant your other six suggestions.

I quoted your seven suggestions verbatim in my letter and

then gave in their exact words the portions of the revised Covenant that seemed to me to meet them. I need not repeat them here. I am willing to leave to the American people the decision as to whether Mr. Wilson did not "adequately" meet all your objections, except, of course, the one in regard to the elimination of the guarantees in Article X.

You defend Colonel Harvey's statement that "the United States will have nothing to do with any commission or committee appointed by the League or responsible to it directly or indirectly, openly or furtively." You do this on the remarkable theory that "the Senate in assenting to the treaty with Germany, provided that the United States shall not be represented or participate in any body, agency or commission unless Congress shall provide for such a representation or participation." But, I respectfully ask you, is not this provision of Congress to be considered regulative rather than prohibitive? It would seem to the lay mind that Congress does not at all prohibit the United States from participating in the activities of the League, but has merely prescribed that before it does so it must go through a certain procedure, such as, for instance, to require the executive appointees to the League's various committees to be confirmed by Congress.

You say that you have "endeavored to deal with all communications (from the League) courteously and appropriately, and all reports to the contrary are evidently based on inadequate information." I am glad to learn this. But I ought to tell you that I based my charge on the statement of a member of the Secretariat of the League who has had access to the correspondence and who assured me that no communications from the League were acknowledged by the State Department in the first half of the first year of your term of office, and then when the matter became public you acknowledged fourteen in a batch and your acknowledgments then and since have been of the most formal and non-committal nature, stating in effect that the communication had been received and that if on further consideration a further reply should be deemed necessary such a reply would be sent.

You do not deny that you blocked the transfer of the International Office of Public Health from Paris to Geneva, where it was proposed to incorporate it with the admirable health work of the League. Your justification is that you do not "believe that the interests of international health have been injured by the fact that that office has remained intact." This, of course, is a question of opinion. I content myself with asking you whether, in the

long run, it is wise, practical and economic for the nations of the world to support two international health centers.

You say I am "in error" in my statement that you have "prevented" the American Hague Judges from sending in nominations for the Permanent Court of International Justice of the League. I did not go so far as to say you "prevented" them. Of course you had no authority to do that. I said you "practically prevented" them. As I understand the case this is what happened: When the League requested Messrs. Root, Straus, Grey, and Moore, the four American judges, to nominate members of the Permanent Court of International Justice, in accordance with the method of electing the judges established by the constitution of the Court, the League sent the invitations in your care, out of courtesy to the United States Government. It would seem that they were either held up or mislaid in the State Department. Finally, when it became public that the letters had left Geneva, Mr. Root cabled abroad and found that such was the case. The letters were then found in your office and turned over to the four judges who in the meantime had been conferring together as to their proper course of action. Before coming to any decision, Mr. Root as their spokesman, went to Washington to sound you out. You, so I am informed, intimated to him that it would be distasteful to the Administration to have the nominations made. Thus the four judges, no doubt largely out of deference to the wishes of their government but also because of the State Department's delay in forwarding the League's letters, made no nominations.

Whether the admirable results of the recent Conference on the Limitation of Armament, in which you played so conspicuous a part, could have been accomplished better by the League or not, are, as you say, "subjects of conjecture." I would point out, however, that the League is a permanent institution with a permanent armament commission and that all the members of the League are pledged to work out a plan for the reduction of all their armaments—air, sea and land (not merely capital ships)—to "the lowest point consistent with national security."

You say you made a separate peace with Germany because "the resubmission of the Treaty of Versailles with suggested reservations would have no other result than the renewal of the former controversy and its continuance for an indefinite time." That statement is also conjecture. You pledged the Administration, when you signed the manifesto of "The thirty-one" to go into the existing League with reservations. Surely with the great

prestige that always accrues to a new Administration on assuming office, and with a high leadership which you have evidenced on more than one occasion, you could have successfully run the gauntlet of Congress. At all events, it does not seem like you to be willing to abandon without a trial of strength the control of the foreign policy of the United States to Congress.

You further state that the separate peace with Germany was accomplished "in a manner confirming our own rights and not derogating from those of our Allies" I assume that you are speaking here in the technical sense that none of the reparations or territorial settlements in favor of our Allies under the Versailles Treaty were abrogated. I never for a moment supposed this could be otherwise. The war, however, was fought and won by the co-operation of the Allies. The Versailles Treaty was negotiated through this same co-operation, whereby international arbitration, reduction of armaments, and world federation were secured as a priceless gift to all nations. When, however, you broke your pre-election promises to the American people and abandoned the Versailles Treaty and made a separate peace with Germany; America did "abandon her Allies" in a manner that very seriously "derogated from the rights of the Allies, by withdrawing and continuing to withhold in the hour of Europe's greatest need, our leadership and support for protection and security against the war's aftermath of revolution, famine, pestilence, and economic and political chaos.

I note in conclusion that there is one matter raised in my letter which you have completely ignored. You have not referred to the manifesto of "The Thirty-one" to which you are signatory. Just as Mr. Harding promised the people before the election he would set up the so-called Harding Association to supplant the Wilson League and now has evidently abandoned the pledge, so you promised the people before the election that the incoming Administration would in its own way enter the League, and now you neither do anything to redeem your pledge nor will you vouchsafe any explanation to the public.

All this, I am sorry to say, bears out the conclusion I find myself reluctantly drawn to—namely, that the present administration has no foreign policy commensurate with the needs of the day and the hour.

Very respectfully yours,

(Signed) HAMILTON HOLT.

### THIRD YEAR BOOK OF THE LEAGUE OF NATIONS

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Secretary Hughes closed the correspondence with this reply:

#### DEPARTMENT OF STATE

Washington, D. C., July 19, 1922.

MY DEAR MR. HOLT:

Your letter of July 18th has been received.

Having made my statement in my answer, under date of July thirteenth, to your previous letter I see no reason why I should repeat it. You will find in that letter my reply to your observations on the various matters you had brought up and I must decline to follow you in further discussion.

I may say that so far as nominations for the International Court are concerned, I was not responsible for the delay to which you refer, and I so informed the American Judges at the time of transmitting the invitations to them. This delay did not preclude the nominations being made. The point was that the American Judges had been appointed under The Hague Convention of 1907 and they were asked to take action under another treaty to which the United States was not a party. In these circumstances the American Judges acted, as I understand it, in accordance with their own views of propriety.

There is one point which you say I have ignored, and that is your reference to what you call the "manifesto of the thirty-one" in October, 1920. I had supposed that I had dealt with that when I told you in my recent letter that the separate treaty with Germany was negotiated for the sufficient reason that it became perfectly clear, after the most careful consideration, that the resubmission of the Treaty of Versailles with suggested reservations would have no other result than the renewal of the former controversy and its continuance for an indefinite time. In short, the separate treaty was the only practicable way of dealing with the question.

The statement of the thirty-one, of course, expressed with sincerity the point of view I entertained in common with the others at the time the statement was signed, but the Administration was compelled to deal with the situation as it found it on coming into power.

In your observations you seem to imply that I have been invested with some authority to make this Government a member of the League of Nations upon such reservations as I might propose. If you have any such notion, I must ask you to disabuse your mind of it. Entrance into the League of Nations upon any

conditions could be accomplished only by treaty, and treaties cannot be made except in the constitutional manner.

It is idle to propose what it is found cannot be effected. That is not the way to make progress internationally or otherwise. What I said with respect to the treaty with Germany is applicable.

Really I cannot see any reason why you should address me in the manner you have chosen, in view of the fact that the attitude of the Administration upon this subject was frankly and definitely stated in President Harding's message to Congress in April, 1921. The President then said:

"In the existing League of Nations, world governing with its superpowers, this Republic will have no part. There can be no misinterpretation, and there will be no betrayal of the deliberate expression of the American people in the recent elections; and settled in our decision for ourselves, it is only fair to say to the world in general, and to our associates in war in particular, that the League Covenant can have no sanction by us.

"The aim to associate nations to prevent war, preserve peace, and promote civilization our people most cordially applauded. We yearned for this new instrument of justice, but we can have no part in a committal to an agency of force in unknown contingencies; we can recognize no super-authority.

"Manifestly the highest purpose of the League of Nations was defeated in linking it with the treaty of peace and making it the enforcement agency of the victors of the war. International association for permanent peace must be conceived solely as an instrumentality of justice, unassociated with the passions of yesterday, and not so constituted as to attempt the dual functions of a political instrument of the conquerors and of an agency of peace. There can be no prosperity for the fundamental purposes sought to be achieved by any such association so long as it is an organ of any particular treaty, or committed to the attainment of the special aims of any nation or group of nations.

"The American aspiration, indeed, the world aspiration, was an association of nations, based upon the application of justice and right, binding us in conference and co-operation for the prevention of war and pointing the way to a higher civilization and international fraternity in which all the world might share. In rejecting the League Covenant and uttering that rejection to our own people, and to the world, we make no surrender of our hope and aim for an association to promote peace in which we would most heartily join. We wish it to be conceived in peace and dedicated to peace, and will relinquish no effort to bring the nations

of the world into such fellowship, not in the surrender of national sovereignty but rejoicing in a nobler exercise of it in the advancement of human activities, amid the compensations of peaceful achievement."

As I said in my former letter, the Administration has been endeavoring in every practicable way to promote the cause of peace and has been measurably successful in this great work.

As I have already advised you, I can not undertake to discuss in this correspondence the future action of this Government, which will be announced in official statements from time to time, and I must ask you to consider this correspondence closed.

Very sincerely yours,

CHARLES E. HUGHES.

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میں نے اپنے دل سے کہا کہ میں نے تجھے  
اپنے دل سے کہا کہ میں نے تجھے

۱۔ اگر میں نے تجھے اپنے دل سے کہا کہ میں نے تجھے  
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پہلے تو مجھے اپنے دل سے کہا کہ میں نے تجھے  
اپنے دل سے کہا کہ میں نے تجھے



